DOCUMENT RESUME

ED 295 730 PS 017 377

TITLE	Meeting the Need for Child Care: Problems and Progress. Hearing before a Subcommittee of the Committee on Government Operations. House of Representatives, One Hundredth Congress, First Session.
INSTITUTION	Congress of the U. S., Washington, D. C. House Committee on Government Operations.
PUB DATE	11 Sep 87
NOTE	277p.
AVAILABLE FROM	Superintendent of Documents, Congressional Sales Office, U.S. Government Printing Office, Washington, DC 20402 (Stock No. 552-070-036-74-1, $8.50).
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC12 Plus Postage.
DESCRIPTORS	Blacks; *Day Care; *Educational Quality; Employer Supported Day Care; Employment Patterns; Federal Government; Government Role; Hearings; Information Services; Latchkey Children; Legal Problems; Local Government; *Local Issues; *Needs; *Program Development; Program Implementation; *Program Improvement; Referral; Resources; State Government
IDENTIFIERS	California (San Mateo County)

ABSTRACT

A hearing was held to identify problems and assess progress in the provision of affordable, high quality child care. Testimony concerned: (1) problems working parents have had in providing care for their young children; (2) day care initiatives and needs in California; (3) ways in which San Mateo County used its housing and community development funds; (4) social programs developed in San Mateo County which addressed major human service problems and provided child care for latchkey children; (5) private and public sector initiatives in providing day care services and recommendations for future efforts; (6) the San Mateo Central Labor Council child care policies; (7) the impact of inadequately funded day care and child development programs on the public schools; (8) the year-long quest for a center site by Apple Computer, Inc.; (9) ways of fostering federal and state cooperation in meeting child care and developmental needs of California's preschoolers; (10) problems and needs of family day care providers; (11) the implementation of a center in a federal workplace; (12) characteristics of California's child care resource and referral network; (13) problems facing day care providers and the implications for program quality; (14) legal issues child care providers face; (15) California's regulatory program for child care services; (16) employment trends and their relation to workers' child care needs; (17) child care issues affecting blacks; and (18) child care initiatives of the David and Lucile Packard Foundation. (RH)

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MEETING THE NEED FOR CHILD CARE: PROBLEMS AND PROGRESS

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HEARING

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS HOUSE OF REPRESENTATIVES

ONE HUNDREDTH CONGRESS

FIRST SESSION

SEPTEMBER 11, 1987

Printed for the use of the Committee on Government Operations

PS 017377

U.S. GOVERNMENT PRINTING OFFICE
79-228 WASHINGTON : 1988

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MEETING THE NEED FOR CHILD CARE: PROBLEMS AND PROGRESS

FRIDAY, SEPTEMBER 11, 1987

HOUSE OF REPRESENTATIVES,
EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
San Carlos, CA.

The subcommittee met, pursuant to notice, at 9:30 a.m., in San Carlos Council Chambers, City Hall, 666 Elm Street, San Carlos, CA, Hon. Tom Lantos (chairman of the subcommittee) presiding.

Present: Representatives Tom Lantos, Joseph J. DioGuardi, and Nancy Pelosi.

Also present: Stuart E. Weisberg, staff director and counsel, and Joy R. Simonson, professional staff member.

OPENING STATEMENT OF CHAIRMAN LANTOS

Mr. LANTOS. The Employment and Housing Subcommittee will please come to order.

First, it gives me a great deal of pleasure to welcome two of my distinguished colleagues to the 11th Congressional District. The ranking Republican of the subcommittee, Congressman Joe DioGuardi of New York, who represents a comparable district, Westchester County, has made a significant contribution in the very short time he has been with us in Congress.

He is one of the few certified public accountants in the Congress, a former partner of one of the most distinguished national CPA firms, and he brings a hard-headed, sound businesslike approach to all issues that we deal with.

My colleague, Joe DioGuardi, and I have succeeded, I trust, in running what is probably the most bipartisan subcommittee in the Congress of the United States, recognizing that most of the problems the American people face, whether those are problems of housing, employment, or child care or peace, are fundamentally problems of both Republicans and Democrats and the more we can work together, the more effectively we succeed.

Not too long ago, I had a field hearing in his congressional district on the question of housing, and the problems of housing in a very high-cost area, such as Westchester County, are not unlike the ones that we have here in San Mateo County and we are working on legislation jointly to try to deal with the unique and special difficulties that most families have in high housing cost areas to cope with this problem.

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I am particularly pleased to welcome to the congressional district my friend and colleague and neighbor, Congresswoman Nancy Pelosi. As you know, she is—while this is no longer accurate, but 3 days ago, I could have said she is the newest Member of the House of Representatives, but I think now I have to say she is the second newest Member of the House of Representatives, because just 2 days ago, we swore in a colleague from Connecticut. So, you have lost that moment of special distinction, Nancy, in a relatively short period of time.

Congresswoman Pelosi brings to the House an enormous wealth of dealing with public issues, and I hope she does not mind if I mention a very personal thing with a bittersweet ending. One of the great, great pleasures of the moment of Congresswoman's Pelosi's swearing in was to have her distinguished father on the floor of the House of Representatives, who also served in the Congress of the United States. I had the pleasure of talking with him during those very unique moments and I felt that it was the highlight of his life which, unfortunately, was cut short just a brief time ago.

So, let me say, Nancy, we are delighted to have you and it was a wonderful opportunity to see you being sworn in with your father, your distinguished predecessor, there.

Ms. PELOSI. Thank you, Tom.

Mr. LANTOS. Child care is the issue which brings this congressional subcommittee to the peninsula today. Child care, which is a problem that affects people in all walks of life, from world-renowned actresses to welfare recipients, from flight attendants to city clerks.

There have been dramatic changes in American lifestyles in recent years. New employment patterns have swept the country and they have impacted families in what I choose to call the subtle revolution.

For most families, whether you and I like this or not, the traditional picture of mommy staying at home with the kids while daddy goes to work is a thing of the past. California's Little Hoover Commission said, and I quote, "Such families are becoming a modern day dinosaur."

Whether you agree with quite that extreme a characterization or not, the fact remains that the American family that my generation used to understand and live with is, for most Americans of the new generation, a thing of the past. The traditional family as portrayed in "Father Knows Best," "Leave It to Beaver," "The Donna Reed Show," have been replaced by "The Cosby Show" and "Family Ties" where both parents work.

The 1987 data show a continuing trend of increasing employment for mothers. For the first time, more than half of those with children under 3 years of age are in the labor force. Almost two-thirds of those with 3- to 6-year-olds are working, and most surveys tell us that many more would eagerly enter the labor force if child care were available.

Now, for most this is not a question of choice, most women work out of necessity. In San Mateo County, one of the wealthiest counties in the United States, one of six families with children was headed by a woman in 1980; the figure, of course, is much higher today.

Some families live in poverty even in this affluent area. Many women must work to augment their husbands' meager incomes, and increasingly middle class women are compelled to work to maintain their family's standard of living. But even in the face of these overwhelming statistics, this subcommittee deeply appreciates the fact that some women still choose to remain at home with their children.

The need for child care is critical not only for parents and for their children. Employers face very severe recruitment problems, productivity problems, turnover problems, and I think it is self-evident that unless we devote the resources and the creative imagination to solving this issue, that this issue so desperately calls for, society will have some very, very heavy prices to pay.

The early years of life, the formative years of life, are clearly the most important in determining who we become, and it is these early years that child care deals with. Society has changed in recent decades to a mind-boggling extent. When I was a child, you did not need to worry about how much time a child spends in front of a television set because there was no television. We did not know that drug abuse is an issue and child care basically fits into this same category.

As always, society is late catching up, and one of the hopes we have is that this hearing will accelerate the process of society catching up with the gigantic social problem.

California is ahead of much of the country in this whole endeavor. Yet, here in California, we are experiencing an enormous statewide problem in the availability of quality child care, and let me just say that in no arena is there a greater need for cooperation between business and labor, our schools, our educational institutions, local, State, and Federal governments, as there is in this field.

We look forward to hearing from all of these groups in the next few hours.

Now, the Congress is dealing with this issue in a variety of ways. We are already providing funds far too inadequate, in my view, for dealing with this problem. We are providing tax benefits. The tax benefits this past year to families amounted to $2.5 billion. Several of us are fighting for legislation, and I am delighted to mention that my two distinguished colleagues are in that forefront, to provide more funding in the field of child care and to provide for more meaningful tax breaks, not just for individuals, but for businesses.

The two pieces of legislation that I am most keenly interested in, and there may be additional legislation that might be introduced, are H.R. 541 and H.R. 1001. H.R. 541 will provide private businesses tax credits for establishing onsite child care facilities.

I deeply believe that this is an intelligent and cost-effective way of encouraging large-scale businesses to move toward establishing onsite child care facilities.

H.R. 1001 will provide a significant boost in Federal funding for the whole child care movement.

Now, when I used to teach economics, when I started teaching economics, it was before many of you were born, and I taught my students about the family budget, child care was not an item in that family budget. We talked about housing and transportation

and food and clothing and insurance and entertainment and savings, but child care was not an item which appeared in the family budget.

I need not tell an audience of this sophistication that right here on the peninsula, for large numbers of families, child care is typically the second and, in some instances, the first item in the family budget. The best estimates are that the average cost of child care for a single child is about $400 a month. This means that for a family with two children requiring child care, and I speak with deep feeling on this subject because one of our daughters has five children as of now under the age of 8, with number six about to arrive, so if I dash out of here, you know why, this has become an incredible financial burden, an insufferable financial burden, where community response is mandatory.

One final observation. We are not talking about custodial care. When we talk about child care, we talk about quality child care. We simply do not wish to warehouse wonderful little children. We need to see to it that the context in which they spend many, many days of these most critical years of their lives, the largest number of waking hours, are in an environment which is enriching, which is physically safe, which in every sense will lead to these wonderful little boys and girls becoming self-respecting, self-supporting productive members of this society.

And, finally, of course, we are very mindful of the fact that special groups of children need special types of child care. Sick children. Children with handicaps. Infants. These are social problems which, if they would get the degree of attention and publicity and emphasis that, for instance, the disease AIDS is getting, we would see major societal responses in short order.

The purpose of this hearing is to try to see to it that society does, in fact, wake up to what is a major national crisis: The lack of affordable quality child care for millions of our children.

Congressman DioGuardi.

Mr. DIOGUARDI. Thank you, Mr. Chairman.

Thank you for those kind comments. I am really delighted to be here once again with you. It is always a pleasure to deal with important issues with someone as sensitive and as intelligent as you are.

You know, there are too many problems, as you said, today that are hostages of partisan politics and the budget crisis. Let us hope that the care of our children and the opportunities that society has to provide, especially for children, are not in that category, and that is what we are here today for.

It is nice to come to San Mateo. I do not come here often, being from New York, but it reminds me of Westchester County quite a bit. I have already extended my stay by 1 day and I will be talking to the business community in San Francisco. Hopefully, I can get them more attuned to the problems that we face in society, both on the east and the west coast.

It is very important also to be here with you, Tom, because you have provided leadership in many areas dealing with youth—the youth suicide prevention is an area that you and I have both dealt with on both sides of the aisle, among others, and I think today if

we are to view society as being successful, it has to start with our kids, as you so eloquently have said.

If we cannot provide the opportunity for kids to feel comfortable, to be nurtured in an environment so that they can fulfill their potential as human beings, they will not be able to become full partners with us, full partners with their relatives and their peers in society, and that is what it is all about.

I think, Tom, you and Annette are really the embodiment of the American dream. You are the story of America. You came here under very adverse circumstances from a foreign country, pretty much like my parents did from Italy in 1929. They came here not knowing the Depression was starting in 1929, and neither one of them had an education past the eighth grade and it took them many years before they got a job, but they saw the opportunity here and they capitalized on that opportunity as you have.

I think the key to these meetings and this hearing today is that we keep this as the greatest opportunity society the world has ever seen because that is what it truly is. The United States of America is an experiment that is only 200 years old. It is a very young society compared to most that are coming on, and we are testing that society every day.

I think one of its greatest tests is how it treats its youth, because I believe the hallmark of a great society is how it treats its youth and how it allows its youth to reach its human potential.

I think you, Tom, have seen first hand the effect that government leaders, through their decisions can have on citizens in society, and that is what it is all about for us and other local officials who are here today, because we have to provide the leadership. Certainly, the private sector should do more and I think they want to do more, but we have to provide the leadership and kind of set the pace for them to join with us in, hopefully, a very successful private sector/public sector partnership that will resolve this issue.

So, here we are here today to discuss the growing obstacles to American opportunity and that is the lack of adequate day care, and as you and I know, that obstacle exists everywhere in our society, in our cities and our suburbs.

Tom, when you and I were growing up, the world was a less complicated place, as you suggested. Your dad went off to work and you were home with your mother and she was there every day. Such is not the case today. Nowadays, mothers are returning to the workplace sooner and in higher numbers than ever before.

According to the Bureau of Labor Statistics, 52 percent of mothers with children under the age of 1 are in the workplace, and over 60 percent of mothers with children under the age of 5 are in the workplace. These statistics represent dramatic increases over the number of mothers in the workplace only 10 years ago.

This all adds up to a crisis with day care in this country. There are already shortfalls in the number of adequate day care providers now needed and the previously quoted statistics point to trends that are not going to subside. With the high rate of divorce in this country, we can count on an increasing number of single parent families desiring quality day care.

Over 80 percent of divorced mothers reenter the job market. The rising cost of living and particularly housing, both here and in

Westchester County, especially, has caused more couples to become two-earner families. This further adds to a growing burden on the day care industry.

Mr. Chairman, it is not a pretty picture. More mothers are working and more children need day care services. The current system just is not going to meet those needs. We are talking about our children, the future of our Nation. If we do not address this problem now, the alternative may be a wasted generation.

We have already seen some of the short-term costs of inadequately providing for the care of our children. Desperate mothers turn to the latchkey. Children are subjected to crowded day care situations where they cannot possibly receive the loving attention they crave and, worst of all, we have seen an increase in charges of sexual and physical abuse of our children.

Mr. Chairman, I commend you for holding this hearing, and for the interest you have taken in working parents and the children of our Nation. Our children deserve the best we can provide them. Anything less is a travesty.

I am eager to hear from the many witnesses we have before us today representing nearly every aspect of day care in America. Again, thank you.

[Mr DioGuardi's opening statement follows:]

THE HONORABLE JOSEPH J. DIOGUARDI

20TH DISTRICT, NEW YORK

(FOLLOWING IS THE TEXT OF THE OPENING STATEMENT MADE BY CONGRESSMAN DioGUARDI BEFORE THE GOVERNMENT OPERATIONS SUBCOMMITTEE ON EMPLOYMENT AND HOUSING'S HEARINGS ON MEETING THE NATION'S DAYCARE NEEDS.)

Mr. Chairman, I am happy to join you here today in San Mateo. This is truly a beautiful community. I always look forward to the opportunity to visit the Bay area. It gives me even greater pleasure to join one of the leaders in youth suicide prevention as we investigate the daycare situation in this country, another issue of great importance to our young people. The adversity you have overcome in your own life has given you a keen interest in the impact the decisions of government leaders can have in the personal lives of its citizens. Mr. Chairman, you are the embodiment of the American Dream and a shining example of the opportunity that our great country has to offer. But, today we are here to discuss a growing obstacle to American opportunity, namely the lack of adequate daycare. As you and I know that obstacle exists everywhere in our society, in our cities and in our suburbs.

Mr. Chairman, when you and I were growing up, the world was a less complicated place: your Dad went off to work in the morning and your Mom was home with you all day, every day. Such is not the case today!

Nowadays, mothers are returning to the workplace sooner and in higher numbers than ever before. According to the Bureau of

Labor Statistics 52% of mothers with children under the age of one are employed. Over 60% of mothers with children under the age of five are in the workforce. These statistics represent dramatic increases over the number of mothers in the workforce only ten years ago.

This all adds up to a crisis with daycare in this country. There are already shortfalls in the number of adequate daycare providers now needed and the previously quoted statistics point to trends that are not going to subside. With the high rate of divorce in this country, we can count on an increasing number of single parent families desiring quality daycare. Over 80% of divorced mothers reenter the job market. The rising cost of living and, in particular housing, has forced more couples to become two earner families. This further adds to the growing burden on the daycare industry.

Mr. Chairman, it is not a pretty picture. More mothers are working and more children need daycare services: the current system just isn't going to meet the need.

We are talking now about our children, the future of our nation. If we don't address this problem now, the alternative may be a wasted generation! We have already seen some of the short term costs of inadequately providing for the care of our children: desperate mothers turn to the "latchkey"; children are subjected to crowded daycare situations where they cannot possibly receive the loving attention they crave and, worst of all, we have seen an increase in charges of sexual and physical

abuse of our children.

Mr. Chairman, I commend you for holding this hearing and for the interest you take in the working parents and children of our nation. Our children deserve the best we can provide them; anything less is a travesty.

I am eager to hear from the many witnesses we have before us today representing nearly every aspect of daycare in America. Thank you Mr. Chairman.

Mr. LANTOS. Thank you, Congressman DioGuardi.

I am delighted now to call on my colleague from this area, my neighbor and friend, Congresswoman Pelosi.

Ms. PELOSI. Thank you, Mr. Chairman.

I, too, want to join you in welcoming Congressman DioGuardi from New York to your district, and to our area. As one who cares about child care, I want to thank both of you for the hearings that you have had in your district and elsewhere.

Tom and Annette Lantos, you said very well, Congressman DioGuardi, are an example to us all in their dedication to family, to their children, to their grandchildren. So, when Tom Lantos talks about child care, we know he means quality child care. We know he knows that it is, as President Kennedy said, children who are our greatest resource and our best hope for the future. We have heard that over and over again, and it becomes truer every day with the birth of every new baby.

Mr. Chairman, you have mentioned in your comments that when you taught economics and you were teaching a household budget that child care was not in it. Hopefully, through the work that this committee will do, that not only will it be included in the curriculum in economics class, but also business schools. Hopefully, when they are planning budgets for businesses, very soon it will be the practice of business to have a child care budgetary item as well, and that will be a whole course, perhaps, a whole major in business school.

Quality child care, child care costs, and available facilities are widespread problems you have mentioned in our society, where the percentage of working parents is drastically escalating. You have heard the percentages. I am sure we will be hearing more about it.

I just want to make two brief points, and one is that my predecessor, Congressman Sala Burton from San Francisco, was a long-term supporter of issues regarding family, child care, and public health. She carried the latchkey legislation, in Congress in her last year. This legislation, the School Facilities Child Care Act, helped set up programs in schools and communities for latchkey children, the children who are faced, sadly but necessarily, with an empty house when they come home from school because their parents or parent have to work.

So, in the tradition of Sala Burton and being on this subcommittee, it gives me a great opportunity to continue her work in this area and I am grateful for it.

Another point I would like to bring up, but as usual Chairman Lantos is months and months and months ahead of the rest of us, is that yesterday, the Congressional Caucus for Women's Issues challenged our colleagues in the House and in the Senate to search out the most innovative employer sponsored child care programs in their districts and States.

The final product, demonstrating how to get employer sponsored child care programs off the ground, will be made available to other Members of Congress to share with employers in their districts. I say employers. That could be private, labor, State, county.

The caucus will present the findings of the search to universities and business schools, so that the results can become an integral

component of the education and training requirements of our future managers.

I, too, Mr. Chairman, look forward to the witnesses today. In all of the hearings we have had before, I was the newest Member of Congress. While I do not enjoy that particular honor, this week I achieved another honor, and that was to obtain seniority. So, I may be a whole new person.

Thank you, Mr. Chairman.

Mr. LANTOS. Thank you very much, Congresswoman Pelosi.

Let me just tell you that the longer you stay in Congress, the more you will enjoy seniority.

Ms. PELOSI. Another thing I learned from you, Mr. Chairman.

Mr. LANTOS. Before calling on the first panel of witnesses, let me publicly and with pleasure express my appreciation both to the subcommittee staff that worked so hard in preparing these hearings, the entire subcommittee staff, particularly Joy Simonson, who carried the bulk of the load, to the Republican staff, they have cooperated so effectively, and to my own district staff, headed by Ms. Evelyn Szelenyi. Where are you? Are you here? The person who carried much of the load here was Marjorie Farrar. Where are you, Marjorie?

I want to thank you publicly for your effort, and before I call the first witnesses, I want to say a word about a woman who is viewed by many as the first woman of this county, Mrs. Ann Benner, who has been my colleague and strong right arm throughout and who has helped with the field of child care and every other social issue in this county for many, many decades. Where is Ann Benner? Outside working. [Applause.]

Mr. LANTOS. Now, let me ask our first witnesses, Lynn Redgrave and John Clark, to come forward and please take your seats at the witness table.

Lynn Redgrave, who is one of our most distinguished actresses, first captivated American audiences in the film "Georgy Girl" for which she was nominated for an Academy Award. She has been a star in the theater, motion pictures, on television, in countless, countless starring roles.

John Clark is a person of many talents, as an actor, as a director, as a photographer, as a manager, and John, as you know, you and I share a unique distinction, that just as you are typically referred to as Lynn Redgrave's husband, I am typically referred to as Annette Lantos' husband. So, I know where you are coming from and we both can live with this.

This past April, Lynn Redgrave and John Clark celebrated their 20th wedding anniversary. They are parents of three children, of whom the youngest, the adorable young lady next to my wife, preoccupied with academic work, has decided to join us.

So, Lynn and John, we are very delighted to have you. We are grateful that you took the time and trouble to join us. I need not tell you that your presence here indicates how universal this problem is, that it is not restricted to any economic or social class. It cuts across American society.

You will proceed in your own way.

STATEMENTS OF LYNN REDGRAVE AND JOHN CLARK, PARENTS

Ms. REDGRAVE. Thank you very much, Chairman Lantos, and members of the committee.

I am very, very honored that you have asked me here today to speak about a subject that is obviously dear to all of our hearts, and a subject which affected me in a way that I some years ago would never have thought possible.

As you have mentioned, my husband and I have been married 20 years. For 19 of those years, I have been a working mother. I have been a working actress for 25 years. So, a good majority of my life and my career has been spent as both a working person and a mother and a wife.

Child care was not something for many years, with our older children, now 19 and 17, that I thought I had to worry about, because I was an actress with not a 9 to 5 job, a job that took me to many different places, but often with large periods of time off. I could afford to have somebody in our home or with me at work to help look after my children so that I would remain in close contact with the babies, with the growing children, the youngsters while they were—so that we never had to go through that separation and that terrible decision of whether you should leave your child behind while you go out to work.

Because it was always made easy for me, it never occurred to me that only 6 years ago, I would be faced not exactly with a choice because, to me, there was no choice, but that I should be put in the position where I was essentially asked to make a totally unbearable choice and that is the choice between my job and my newborn child.

In 1981, while I was working on a television series called "House Calls," at Universal Studios in California, Los Angeles, this was a show that I should point out was shot on film, it was shot like a little minimovie each week, my hours were roughly 6:30 in the morning. I live in Topanga Canyon, that meant an hour's drive, to be at the studio at 6:30 on most days, and to finish somewhere between 6, 7, 8 o'clock, sometimes later at night.

All through my pregnancy, I, with Annabel, who is sitting next to Mrs. Lantos—thank you, Mrs. Lantos—I worked on the show. I played an unpregnant, unmarried woman, working woman, an administrator of a hospital. I hid my pregnancy until 3 weeks before her birth by carrying large objects in front of my stomach, gradually larger and larger objects. It became a point where I did a scene, I was doing a scene, I was in my ninth month, and they put me behind a desk like this and realized that Annabel, who weighed in at 9 pounds, 2½ ounces, was already showing, and they said raise the desk. They raised the desk and I played an entire scene with the table here and tried to suck in my cheeks, which even then were growing a little bit.

I lost my job on that show at Universal Television because of my desire to bring my newborn baby, my third child, to work with me. To my dressing room. As an actress, it is usual on a television show to have a dressing room, either a fixed dressing room on the studio or, if it is a location or if the dressing room is too far away, a Winnebago, a motor home, an RV right by the set.

My motor home, the one that was provided for my use to change in, was approximately 10 feet from the door. I would say approximately 30 seconds from where I was working at all times.

I assumed naturally throughout my pregnancy and talked often of the fact that when I returned to work, we had carefully planned the birth of Annabel during what is known as a hiatus, that I would return to work with her, however young she was, at 2 weeks, 3 weeks, whatever, and I would bring her.

Two weeks after her birth, a telephone—during a series of telephone conversations that my husband was having with an official from Universal Studios—I should point out that we have in our home, as many working people, an answer phone, the answer phone picks up, you get over to it to turn it off. It picked up and I would like to read to you a small portion of the conversation between the official from Universal and my husband, if I may.

This first conversation was between this spokesperson, who I shall quote from first, and my husband. Sorry. First from my husband and my husband will interrupt.

Mr. CLARK. Let me interrupt. Most people in our business have an agent, a 10-percenter, and I guess we are probably one of the few who do not have an agent. I have been in the business for 45 years, since I first joined the actors union, and I think I know it pretty well, and while I pretty well have given up performing now—I still like to do it but few people ask me any more—I manage my wife and that is another thing.

I think the time is coming where one can quite proudly say I do that, although not so long ago, I would downplay that as if it was somehow socially unacceptable.

Mr. LANTOS. I would like to be able to manage my wife.

Mr. CLARK. Yes, yes. That is a very provocative kind of a statement to make. In any case, this is why I was involved in setting up the arrangements for the following year's shooting, after the baby would be born, when Lynn would come back to work, and it might be appropriate if I were to read this, I think, because the conversation was with me, between me and the certain official at Universal.

Now, inasmuch as we were discussing, he and I, Lynn and a third party, this was not a protected conversation in the sense that I was certainly entitled to record it and I did. No, I did not tell him, but I have an answer phone machine and if you hit a certain button, it becomes a form of memo taking and this is what was said.

I said that in the new season, I said, "Lynn would want to bring the baby to the set." He said, "She would?" I said, "Yes, she would." He said, "Well, what is the problem?" And I said, "She's breast feeding the baby and as you may or may not know, with an infant," there was a pause, and I said, "Do you have any children yourself?" He said, "No." I said, "Well, they're on a feeding schedule of about every 3 hours and Lynn does not believe in bottle feeding or formula feeding if the milk is coming through, which it is with her. We had our children at home and she's always breast fed them and it is very important to her to do that. So, what she would like to be able to do is to be able to have the baby not on the set but obviously in the dressing room and a nurse available to take care of the child while she's working and to be brought to and from

the studio each day in the car" which Lynn had been doing throughout her pregnancy, picked up at home and brought to the studio and for 12 and 14 hour days that one will need, one will probably fall asleep at the wheel if one had to drive oneself. So, anybody thinks well there's a luxury, no, it's not a luxury, it is a necessity.

Well, the response came a couple of days later, and among a fairly long conversation, Lynn sat by my side and, in fact, listened in to the conversation. And this gentleman said, "It would be impossible for Lynn to nurse during the hours of production. I don't know how to get around that. That is a major problem." I said, "What does that mean, though? I don't understand." And he said, "You know, we've got so many shows to do and so much time to do them, I mean, could you say between 10 and 10:30 in the morning?" I said, "Well, that's not the way it works. They usually need to be fed every 4 or 5 hours."

And he said, "So, during the course of production, what would happen if she would go to the baby and everybody else would be sitting around?" I said, "That's not usually the way it works." And he said, "Well, that would be a major problem."

At this point, of course, I said, "Well, what do you want to do, tear up this contract?" and that's how everything went from bad to worse.

I wanted to quote that to you because there was a lot of press at that time, a lot of accusations were thrown at us, and I have always been afraid to quote from that phone conversation. We changed lawyers who said, "You're absolutely free to do so" and not only that, Universal has admitted that the conversation did, in fact, take place.

So, I hope that clears up any question in anybody's mind that anything happened differently in that my approach as a husband and perhaps this is a little different from part of what the focus is of this hearing, I have heard talk so far about the importance of child care and where I, as the husband, am coming from is how about mother care. In other words, I suppose the husband, and I think this is typical of the male point of view perhaps, I feel that a baby belongs with its mother in those very, very early years, from the age of zero to perhaps 3. I do not think one would quarrel with the importance of the closeness of the mother, physical closeness of the mother and the accessibility to her baby and the other way around, and, so, I say how about the quality of mother care because I know if she is taken care of, then I know that the baby will be taken care of.

And so it was that I got extremely defensive and offensive about what was happening to Lynn.

Now, I will hand it back to you.

Ms. REDGRAVE. Well, my husband has raised an important point because the biggest argument that we have found employers have with the mother having access to her baby or bringing her baby to work is that it will be distracting, that it will hold up work, that it will cost important production dollars in whatever it may be. It does not have to be the film industry or the television industry.

After I lost my job with Annabel, I did, indeed, take her to work. I took her to work at a theater, I took her to work at NBC while I

did a show. During that time, I never held up production for one moment. My baby was never unhappy, crying, squalling in the dressing room. On the days that we had to tape the show at NBC, it was an audience show, so once a week we did a show essentially, when the breaks were not consistent, they were not every certain amount of hours, they were just more or less whenever you could get them, I found that I could very easily adapt my nursing schedule and Annabel's nursing schedule to the fact that once a week this was going to happen.

I would nurse her twice as often for shorter periods of time, sometimes three times as often. She certainly adapted wonderfully to it, and I did not have to go through the added stress of worrying where she was, was she yelling, was she crying, whatever. I do not think there is anybody who worked with me during that time who would say other than the fact that while many of them were baby-lovers and loved to know that Annabel was there, but those who were not interested in my problems with my baby, I never held them up, I never, she or I never caused there to be any change on our behalf of the schedule that was necessary to produce this show.

I am naturally very, very involved in the idea of the woman's right to nurse her baby if she chooses. Many women are either unable to nurse or, for other reasons, decide not to. Nonetheless, it is vital that we have access to our children during the day because it is while we nurture the newborn infant and the young baby, while we hold them in our arms and look into their eyes, and their flesh touches our flesh, whether it be because we are nursing or if we are bottle feeding the baby, that is the language of love. That is how a human being learns, first learns what love is, and unless the child is permitted to have that language of love with its mother, I do not see how we can then blame the young adult who grows up without knowing how to love their fellow human beings.

I was working until late last night, until I got on the plane to come to San Francisco, in New York. I was working on a commercial for the last 2 days with an advertising agency. On the first day of my work, which was Wednesday, I talked to one of the producers from the advertising agency, who has a 4½-month-old baby. She lives, Mr. DioGuardi, in your district, and she was very upset by the fact that our day on Wednesday lasted from 9 in the morning until midnight, and this was the first time, she had just recently come back to work, she had had to leave her baby for this prolonged length of time.

She phoned the babysitter in Westchester, probably 10 to 15 times during the day. On the occasions when the babysitter was in the bathroom, Karen told me she decided that the house had burned down, the baby had been taken, the babysitter had left town and emigrated. This is a very natural feeling.

The thought of and the necessity sometimes by society's insistence that we brush this problem of the closeness of mother and child aside, the fact that we have for many, many years been told that we must deny the really gut animal feeling of the horror of separation from the newborn child, to the extent that we are able to say, I can cut myself off from this and go to work and leave that child alone, to the extent that you succeed, you are doing appalling

damage to yourself and to your child, and I cannot emphasize that too much.

Many of us women and many women through the ages have learned to do that at great cost. They have somehow done it. I think it is cruel and unnatural punishment for a woman to be, you know, in a country particularly where motherhood and family and apple pie are so important.

I think it is cruel and unnatural punishment for wanting motherhood and a family life at the same time as having the right to work. I do a job that requires a high level of concentration, of energy, of quickness of thought, and the argument often levied against women is that while their children are there, maybe needing them at that moment in the workplace, their minds will not be on the job. But with easy access to your child during the day, you are—you do not have that added stress. You can nurse the baby if you are nursing. If you are not nursing, you may hold the baby during the feeding times. You may enjoy those precious few during the baby's waking hours with that child.

Only a short time ago, Annabel, who is here with us, partly because it is the school holidays, she goes back to school for the first grade on Monday, and that says it all, and partly because she is an illustration of the passing of time over a lawsuit that is still in disarray, 6 years have gone by, I told her only a short time ago of her unwitting importance in this issue and I tried to explain it to her, when we were at the court in Los Angeles, and I explained that we were in the court because when she was very little, somebody said you cannot come to work together.

And I would have expected her natural reaction to be, oh, well, then, if you could not go to work, then you just stayed home with me, how wonderful and, instead, she said, well, supposing the next person had said to you I cannot come to work, and I said, well, they let you come to work, I brought you to work. She said but supposing they had not, and then the next person after that said you could not bring me to work, and again I expected the punch line to be, that would have been great because you could have stayed home with me and we could have played all day long and, you know, had a wonderful time and she said that would have been awful because then you could not have done your work.

I felt at that moment extremely proud that out of the mouths of, forgive me, Annabel, for calling you a babe, but it is an old expression, out of the mouths of young ladies could come such a terrific statement for women in the eighties, and I felt that perhaps if for no other reason I should feel good about what happened to us because if that is the way she feels, maybe many, many other young women and young men will feel the same way that we do.

And I would say that my experience, which was at the beginning, quite horrific, it was at a time of great joy of having a baby that we wanted very, very much and having a healthy, beautiful child, to have to go through the indignity of explaining my position to people who believed that I was merely exploiting my baby, was almost unbearable.

I found it very hard to speak out publicly, and I think that I thank, however, the experience for having happened because it has given me of necessity the courage and the strength to speak out for

other women who are either afraid or do not have the forum which you are thankfully giving me today to express their views, and I would like to thank you very much for letting me come today.

[Applause.]

Mr. LANTOS. Well, Lynn and John and Annabel, we are very grateful to you.

Before my colleagues and I ask some questions, just for the record, we would need to get the pony's name because all witnesses appearing before this committee, by the Rules of the House, have to be identified.

So, if Annabel would not mind indicating the pony's name, we can proceed with the rest of our hearing.

Ms. REDGRAVE. You have to tell what its name is for the record.

Ms. CLARK. No.

Ms. REDGRAVE. No. I think its name is Speedy. That is what I read on the My Little Pony package.

Mr. LANTOS. We appreciate that very much.

Mr. CLARK. I did not want you to tell.

Ms. REDGRAVE. That was a secret and I am sure it will be kept in strictest confidence.

Mr. LANTOS. Well, as all secrets in Washington, Speedy's name will be forever buried.

I suspect what you have done, what the two of you have done, is to demonstrate that the problem that this subcommittee is dealing with is a problem which reaches the most powerful, the most affluent, the best known in our society, who, in your case, had the courage to deal with the problem forcefully and effectively.

You know better than we do that the overwhelming bulk of women, the overwhelming bulk of parents, who have the problem you faced, have neither the resources nor the power nor the forum nor the ability to deal with it the way you did. The first question I would like to ask you, and I will ask this in terms of the sphere in which you work, has the Screen Actors Guild, of which I take it you must be a member, which is a very powerful organization, has the Screen Actors Guild put the issue of child care, child care centers, onsite child care, allowing actresses to bring their small children with them, has the Screen Actors Guild put this high on its agenda?

Ms. REDGRAVE. Well, we are fortunate that the president of the Screen Actors Guild at the current time is Patty Duke, who is, of course, also a working mother. So, it is getting much more notice than it used to.

It is certainly true that since the problem that we had, I do not think there is a studio or a television company certainly in California that would again do what happened to us. Certainly since then, there have been a great many celebrated women who have had babies and their pregnancies have been shown on the air, Meredith Baxter Birney, for example, of "Family Ties." My mind has gone to mush immediately, but there are plenty of others. Oh, Felicia Rashad has had a baby, Debbie Allen has had a baby. Many of them have, and most of them—in fact, I believe all of them have, in fact, brought their children to work with the blessing of the production company whom they are working for.

But, again, that really, really, in my mind, always was one's right, having a private place, which all actors have, sometimes you

have a large dressing room, if you are famous, and some have small dressing rooms, but, nonetheless, you have a dressing room. So that I do not think that it was really brought to people's attention for a long, long time because the problem did not appear to be a problem.

If you wanted to bring your baby to work, I know Mariette Hartley since long before I had Annabel brought both her children to work, she was kind of careful that people did not see her do it too much, but that was easy to do because she had a dressing room, she brought in a babysitter and there it was.

I do not—there are studios now who are beginning to make inroads into this, and it seems to me that the problem there is not really for the actors, but the film crew. You know, there are more and more—originally, I mean, long ago, when I was starting in the business, it was very rare to see a woman on a film crew. Now, we have more and more, thank goodness, of both sexes working on film crews, and while I as an actress or my fellow actresses can, indeed, bring their babies to the dressing room, what happens if the camera woman wants to bring her baby to work. What happens if the woman who works in the script department, what happens if the woman who works in the cafeteria, all of whom are working in this situation, and, so, it is not as much a problem for the Screen Actors Guild, although I was this unusual circumstance where it was kind of a problem, it is really much more a problem for the studios to acknowledge in the same way that all other businesses must acknowledge, the needs that we have been talking about at this hearing.

Mr. CLARK. There was a well-known actress, I will not say which, but also at Universal a couple of years before who called us out of the blue, as a matter of fact. She had been asked to testify on Universal's behalf and she said, "I am not going to do that, I want to tell you." She said, "I had my baby on the set and they said I could not do it and I said, fine, I walked off the set and I was headed for home." But they were in the middle of shooting a show. That is called power, I guess, or clout, but in any case, they let her stay with the baby because if they had not, it would have cost them millions on the lost show and I think everybody would have sympathized with her.

I find the idea of privilege somewhat distasteful. I do not think we are asking for sympathy by identification from the mass of people, on the basis that we should have had the power to do something similar. As it was, however, it was during the summer holiday, the summer break. So, it gave them time to find someone else to play Lynn's part, and, in fact, Sharon Gless took Lynn's part and then went on, as we know, to a career in another show.

So that the objection that people might have is well, Lynn Redgrave and John Clark, how come you did not throw your weight around and start screaming and you would have got what you wanted because you are a powerful person. I find that distasteful.

We are here today because, as Lynn said, of the camera people and the people who work in the cafeteria on the film sets. They are the people that have the real problems and I do believe that these studios should have day care centers set up so that their female employees and fathers who are there, why not, have access to their

babies, have access to their little babies, and it should not have happened to Lynn. Let us be realistic. It should not have happened to Lynn because she is important and important people should not have that kind of a problem.

Well, we did. We did, but we are not here to speak for "important" people. Interestingly, Screen Actors Guild, which has many thousands of members, one objection I have always had to the Screen Actors Guild is that they kind of feel that people like Lynn and Susan St. James, and so on, can take care of themselves, and they do not usually step in to help people like that. They are supposed to do it themselves. Certainly, they have not helped us at all on the lawsuit.

Ms. REDGRAVE. If I may, Chairman Lantos, just——

Mr. LANTOS. Please.

Ms. REDGRAVE [continuing]. Not wanting to rant on and on, some people feel I get on my hobby horse about nursing—I was just shown a very beautiful picture. Thank you.

Some people feel I get on my favorite hobby horse about nursing a baby. Yes, it is something of a favorite hobby horse because I find it amazing that in this country, which is, as we have said, the melting pot that so many of us, as you mentioned, Mr. DioGuardi, your parents came from Italy, all of us, many of us, our forebears have come from very many different places, many of them countries where, to have your baby with you and to nurse your baby in a public situation, have been considered perfectly normal, and I have often said that it is extraordinary to me that a culture that made Dolly Parton a star, not meant to put down Dolly Parton, but really gets upset over my very meager endowments.

While working, while nursing Annabel, I was one day at a party and I took her into the bedroom and I nursed her and a woman, a fellow guest, came in and looked at me in absolute amazement and said, "May I watch?" And I said, "Yes, if you'd like." And she said, "I've never seen a woman nurse a baby before."

Now, that is truly stunning and I would be prepared to guess that even here in this area, there are many women who have never seen a baby nursed before and it is something that can be done easily, it can be done without really anybody knowing that you are doing it. It need not upset anybody. You need show no naughty bits, as they say, and your baby will not be crying and screaming and yelling and we will both be happier.

I once nursed Annabel in a restaurant in Los Angeles, which is now no more not because of me, I may add, it is called Ma Maison and I nursed Annabel in Ma Maison, and I know that nobody around me could tell that I was nursing this very, very small person. We were covered in clothes and diapers and scarves and chiffon and it appeared to everybody that I was simply eating.

However—and she was, too, of course. But it did come to somebody's attention and they objected and the maitre d' came to me and said, "Ms. Redgrave, perhaps you would like to do that in the ladies room?" and I said, "Have you been in your ladies room?" And he said, "No, of course not." I said, "There is a toilet in your ladies room," and he let me stay where I was. Most women do not have the luxury of being—it being an embarrassment for the maitre d' to turn them out. He did not dare turn me out, but you

bet he would have turned out a great many other women who were—who would not have brought the sort of bad publicity to him.

Thank you. I just wanted to get that bit in, and that is my——

Mr. LANTOS. Well, we are deeply grateful to all three of you and I would like to call on Congressman DioGuardi now to ask whatever questions he may have.

Mr. DIOGUARDI. Thank you, Mr. Chairman.

Appreciate the testimony, Lynn and John.

I guess there is a lot that is happening out there that we are not aware of, that we have to hear the graphic examples and situations that you have described. I would have thought that there would have been more flexibility in your industry because of flex time. I always thought that actors and actresses could kind of take a break here and there and would be able to do it, and I am really surprised that you had to go through all of that. It just makes me wonder even more how much more difficult other people have it if your industry, which should have the flexibility, could not do it. You can imagine what the average person goes through who works for corporate America and society today where there may be less inclination to compromise because of the importance of a person, such as yourself.

I just got back from a trip to Europe. I took my children for the first time abroad and my son, John, is 13 now and my daughter, Karen, is 16, and I thought it would be nice to take them back to the hometown of their grandparents and we did that and we visited a little town just outside of Naples and went to a little town just outside of Barre, but I was surprised, not surprised, but I guess interested in when I went through European towns, went to Ireland and went to Italy and went to Turkey, to see signs saying that there were places for nursing mothers. I have never seen that in the United States, actually have signs up for nursing mothers.

Maybe that is an indication that our culture has to be somehow improved here, but in any case, you were able to kind of design your own program weren't you? I guess, you employed a nurse while you were on the set?

Ms. REDGRAVE. Yes, we did.

Mr. DIOGUARDI. And you made—I guess that worked out fine for you, but I guess you had to be creative and do it for yourself, you did not get much help from your employer.

Ms. REDGRAVE. Yes, at NBC. I am sorry to interrupt, Mr. DioGuardi, but at NBC, I certainly had the blessing of my producer, Aaron Ruben, who, in fact, was wonderful and said may we provide a crib in your room. I would say they were forward thinking people who—if I had not, I would have provided my own crib, but he did provide a crib. We provided a babysitter who met me each day at work and, so, it worked out for us, but I would just like to add, Mr. DioGuardi, that the producer I was talking about from your district, who I was working with these last 2 days, I asked her if her agency had a day care situation for its employees, would it make a difference to her, she said that she would undoubtedly, since she had become a mother, she would pick—if she had a choice and she found that one company had a day care program in a situation in situ as against that another that did not, she would pick the one to

work for her that had the day care situation because now that she is in Westchester so that she can afford to have a bedroom for her child and a yard, it means, however, she now has this commute into town and the commute back.

Mr. DIOGUARDI. Well, we need more enlightened employers, no question about it, but what I do see today, I see some very good signs. I know in my district, there is at least one major corporation in a campus-type atmosphere and there are many large corporations in my district, that have decided, I think probably partly because of the enlightenment, but probably mostly because of the marketplace, that they need a work force that is quality, that is happy, and they have decided that since there are so many women working today, that it is to their best interests to create a facility right on the campus of the corporation so that the children can be near the parents and have come up with a creative program so that there is some interaction during the day with the parents or parent, so that there will be eating time together and things like that.

So, I think we have got to be more creative. You apparently succeeded for yourself and thank God you did because I think your story is one that we need to hear more about. But there is not enough enlightenment in the marketplace yet, and I guess what we are here to do as Members of Congress is to see whether or not we can provide some leadership so that more businesses will see this as something that is right to do and maybe there are some incentives that we have to come up with.

But I certainly appreciate your testimony and we will take it to mind and heart in designing a program with Chairman Lantos that will succeed.

Mr. CLARK. May I make an observation?

Mr. LANTOS. Please.

Mr. CLARK. Something that possibly might not even come up again, I do not know. I would like to make an observation that there is innate sexism in this whole concept.

[Applause.]

Mr. CLARK. As Tennessee Williams had one of his characters say, and I don't think a woman in the marketplace should, "I have always depended upon the kindness of strangers." Lynn had a nice employer. Was he not nice? He gave me a crib? And a nasty employer, who said, "We do not want you around."

I think a woman should be able to say, "It has got nothing to do with you, buddy, you know? I have a day care facility and if I want to bring my baby to work, it is none of your damned business. It is not going to affect my work. I believe it will improve my work, but I do not wish to talk about it with you."

That is all I wanted to say.

Mr. LANTOS. Good for you, John, good to have that comment.

Congresswoman Pelosi.

Ms. PELOSI. Thank you, Mr. Chairman.

Well, not only do I have seniority this week, I also have the right and I know I can say, without a doubt, the privilege of saying that I am the only former nursing mother on the panel with five children. I appreciate what you have said today and I know people out there are thinking and relating and identifying with the circumstances which you have described each in your own way. The pain

that you get at 3 o'clock when you know that your children are now leaving school changes the stress that you might be under at work a lot.

But I think we are in a time of transition. Because of the work of Chairman Lantos and others in the Congress this will be a transition period and child care will be a fact of life in this country as we face the realities. When it is, now and then, we will always be grateful to you for your testimony, for the generosity of your time here and Annabell's as well and Mr. Clark and Ms. Redgrave. You will be considered pioneers and I appreciate very much your being here today.

I have no questions, Mr. Chairman. Thank you.

Mr. LANTOS. Thank you very much, Congresswoman Pelosi, and before we say farewell to all three of you and the pony, let me just say, John and Lynn, you have struck a blow for tens of millions of American parents because the way our society works, for better or worse, unless there are people of tremendous visibility, who are admired for their achievements and talents in any particular field, the problem cannot be brought to the attention of either the Congress or the people.

I appreciate very much your comment that you really are interested in the people who work in the cafeteria at Universal or wherever because they want to breast feed their babies and they want to have their small children near them no less than you do, and it is really for them that this hearing is all about.

Some think that you achieve your international success because of your talent or your beauty or your abilities. I do not think so. I think you did that because you speak what you have called the language of love in a very fundamental sense. The language of love for children and for your fellow human beings, and on behalf of the committee, we are deeply grateful to you and hope to see you again in Washington at a parallel hearing.

Thanks very much.

Mr. CLARK. Thank you.

Ms. REDGRAVE. Thank you very much.

[Applause.]

Mr. LANTOS. The committee will be in a 5-minute recess.

[Recess taken.]

Mr. LANTOS. The hearing of the subcommittee will resume.

Before calling on our next panel of witnesses, without objection, the Chair will submit for the record the statement he received from the Lieutenant Governor, who is out of the State, but has been a leader in this field and has submitted a significant statement which will be entered into the record.

[The prepared statement of Mr. McCarthy follows:]

TESTIMONY SUBMITTED BY
LIEUTENANT GOVERNOR LEO McCARTHY
TO THE EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE HOUSE COMMITTEE ON OPERATIONS
SAN MATEO
SEPTEMBER 11, 1987

As Lieutenant Governor of California, I have the opportunity to serve as Chairman of the State Economic Development Commission. We have spent considerable time examining the importance of child care in the workplace. For we recognize that in an increasingly competitive world economy, the demands on workers are increasing, and at the same time our workforce is undergoing a profound change in both size and composition.

Here are some of the new realities:

• The aging population is growing dramatically. By the year 2000, one in five Californians will be a senior citizen. At the same time, the under-18 population in California will increase by 25%, the largest jump since the postwar baby boom. Together, these factors will decrease the percentage of the population available to the labor force.

• Women make up a greater percentage of the workforce than ever before. Since the mid-1960's, the number of working women has doubled, and the Department of Labor estimates that women will account for the majority of labor force growth in the next

decade.

- The United States, and California in particular, has moved away from heavy industry as the dominant employer. An increasing number of people are employed in service as well as high technology industries.

The availablity of child care will greatly affect whether California can adapt to these new realities of today's labor force. There are three reasons why. First, a smaller labor pool requires that a greater percentage of people of working age must enter the job market. If non-working mothers are to help fill this gap, they must have access to child care.

Second, we can't afford to lose large numbers of qualified, employed mothers just because they can't find acceptable dependent care.

Finally, child care must be available if parents are to participate in job training programs or higher education in order to prepare or retrain themselves for the jobs that are now available.

Here in California, we've recognized the need for increased worker access to child care, and taken important -- and sometimes innovative -- first steps towards increasing the supply:

• In 1985, California's Governor advocated a mandatory job training program for welfare recipients. I joined with the Legislature in insisting that the program could not be successful unless participants had access to affordable child care. As a result, a bill creating the state's first "latchkey" program for school-age care was also passed. Although still being implemented, this program already serves 9,500 children statewide.

• Also in 1985, BankAmerica Foundation created the California Child Care Initiative, a unique public-private partnership designed to increase the supply of quality care in California communities. The funding, which comes from companies like Chevron and American Express as well as all levels of government, is channeled to community-based resource and referral agencies (R+Rs) who can then actively assess needs, recruit and train workers, and provide technical assistance at the local level.

In its first year of operation, the six local R+Rs that received funding provided 1,200 new child care spaces, 20% over their initial goals. This year, the Initiative has been expanded to 10 additional cities.

• Many California counties and communities are tackling the child care issue on their own. Options at the local level range

from task forces in Orange County to assess needs, to the Concord Childcare Alliance which brings together employers, developers, childcare professionals and public officials to promote employer awareness, train child care operators and offer low-interest loans for construction of facilities. The City of San Francisco now requires developers of major new office spaces to either include a child care center or pay $1 per square foot of space to the city's child care fund.

Despite these efforts, California has a long way to go to fill the demand. Right now, estimates show that 1.6 million children in this state need care while parents work, and this number will grow by 200,000 by 1995. Yet less than half of even current demand can be met on a full-time basis in existing licensed or state-subsidized care.

The most glaring need is for low-income care. Child care is critical for lifting many families out of poverty; without it parents can't work and are forced to remain on public assistance. But affordable care for the poor family is scarce: low-cost, subsidized care in California serves only seven percent of the children eligible.

Correcting the child care shortage will require a greater contribution by every segment of society, including the business community. Selfless altruism is not the motivation here. Last

year, I traveled the state meeting with California business people discussing the bottom-line advantage of providing child care benefits to their employees. A publication of the Commission describes how child care increases worker productivity by decreasing both absenteeism and turnover. Business people can no longer afford to ignore their workers' families: mothers with children under the age of 3 make up the fastest growing segment of the labor market.

Employer-supported child care does not have to mean on-site centers. Most small businesses do not have the facilities or the capital to provide such services. However, employers can provide a wide variety of childcare benefits, including information and referral services, parent subsidies, flexible benefits, salary set-asides, flexible scheduling, and subsidies to existing centers in exchange for discounts or priority admission for the company's employees. If more developers and large businesses can be encouraged to provide the facilities, employer benefits can help put the services within a parent's financial reach.

I'm gratified to see the large rate of increase in employer-supported child-care benefits in the last few years, but this area has the potential for tremendous growth. Only about 3,000 of the nation's 6 million employers provide some kind of child care assistance.

Still, the private sector must not be expected to replace the government as a child care provider. The large number of unserved children demands prompt action, and the federal government can supplement the work already being done by California business, state and local government, and community-based organizations. My recommendations include:

• Increased funding. California, like other states, needs a lot of new child care spaces quickly, but start-up costs are high. Federal money to help increase the supply of child care is critical. Congressman George Miller's HR 1001 is to be commended for funding the development of a variety of programs, including low cost care, school-age care, and public-private partnerships. His funding request must be recognized as a modest first step, however, considering the size of the unmet need.

• Continued child care benefits for job training program participants. As a member of California's State Job Training Coordinating Council, I help develop state goals for use of federal Job Training Partnership Act (JTPA) funds. JTPA provides some child care assistance to parents while they participate in the program and for three months following placement. When the subsidy runs out, however, the high cost of child care forces too many parents to give up the position they trained for. California state law now allows an additional three month extension for child care assistance. Here in San Mateo County--

one of the first counties to implement it -- this option has shown very promising results. Congress and JTPA should investigate the possibility of expanding extended post-placement child care assistance, without displacing the children of other poor working families.

- Incentives for business. California's Legislature has tried unsuccessfully for a number of years to create a tax credit for employers who provide child care assistance to their employees. HR 541, by Congressman Mario Biaggi, is one example of how this type of incentive could be provided at the federal level.

I've focused my testimony on the importance of providing basic child care to families of all income levels. In addition, there remains a largely unaddressed need for specialty child care, in particular for infants, sick children, and the handicapped. As we look for ways to expand the supply of dependent care, we also must keep in mind that there are many kinds of children that need to be served.

Child care is key if we are to maximize the size and productivity of our labor force. Having a parent stay at home to raise the children is no longer a viable alternative: too many families either need two incomes to be financially stable or are headed by a single parent. Business, communities, and all levels of government will all have to contribute toward the development of adequate child care resources. Each segment must make a difference, and as a result all of us will reap the benefits.

Mr. LANTOS. Let me also mention that all written statements will be entered into the record in full. We ask all of our witnesses to summarize their statements, if at all possible. We want to hear everybody. We want to give a chance to members of the subcommittee to ask any questions they may have.

Our next panel of witnesses consists of Supervisor Anna Eshoo and Supervisor Mary Griffin, two of the most outstanding committed powerful leaders in our community for child care and a broad range of issues.

I am personally delighted and proud to have both of them appear before the subcommittee, and I want to welcome them. In alphabetical order, we will begin with Supervisor Eshoo.

STATEMENT OF ANNA G. ESHOO, SUPERVISOR, SAN MATEO COUNTY BOARD OF SUPERVISORS

Ms. ESHOO. And seniority, too.

Thank you, Congressman Lantos, for doing this, for bringing this hearing and your colleagues into the district on the all important issue. Congressman DioGuardi, welcome to Westchester County West, San Mateo County, and to the third supervisorial district, which is my district, and to Congresswoman Nancy Pelosi, we have long felt, Nancy, that you belonged to us and it is a joy for us to see you here in this new capacity. We are exceedingly proud of you and we look forward to what this committee is not only going to hear, but to take back to Washington on behalf of the constituents here in San Mateo County.

I would like to spend just a few moments to inform the committee of how the board of supervisors here in San Mateo County makes use of its housing and community development funds.

As you know, these moneys come from the Federal Government to local government and we have chosen to use a portion of these funds, of our HCD funds, to benefit this issue of child care. I think that one of the most exciting things that the county has become a partner in and has set aside $150,000, which I am sure in the Federal budget sounds like real loose change to you, those are significant funds to us here, but the board of supervisors has set aside $150,000 to support the Airport Child Care project.

Congressman Lantos, Congresswoman Pelosi are both honorary chairpersons of an event that is coming up in October on behalf of this project, and what is it and why have we chosen to use our moneys and to target them for this project.

San Francisco International Airport is the largest employer in San Mateo County. County government is the next largest, but we are not a growing industry. Happily, the airport is and it really is the singular and largest economic factor in San Mateo County. Over 80 percent of our businesses in the county are somehow tied to the airport. So, it is a very important employer for all of us here.

There are—it is a 24-hour operation. When one thinks of a working family, with both heads of household working and one in a 24-hour-airport-related job, one cannot help but think of the necessity of sound and decent child care, but most child care centers are 8 to 5, 7 to 6 operations, and so, together with the United Way Campaign, with the great assistance of the Central Labor Council be-

cause so many of their workers are employees at the airport, obviously all of these people being our constituents, we believe that we have put together a winning team, a real win-win combination, that will bring about when it is in place the first in the Nation in terms of an airport-related child care center, and we are exceedingly proud of it and we are grateful to the two Members of Congress here that have lent their names to our effort.

So that is the first project that I would like to tell you about, and how we are using HCD dollars.

We have used $27,000 to expand the child development center at what Congressman Lantos knows as the OICW project. So, 10 to 13 additional children from low-income families will enjoy the benefits of these dollars that we have invested in this child development center.

Project Reach, which, Congressman Lantos, again you know of, provides child care for developmentally disabled youngsters. We have placed $40,000 to procure a modular unit that will serve 60 children with disabilities in the San Bruno area.

The word "latchkey" is one that is common to all of us, unfortunately. We have placed moneys into the latchkey care facility which will serve 30 additional children because we have repaired a roof that makes the use of that building usable now, and the Coastside Community Council and Half Moon Bay Children's Center expansion, we have again invested in a portable unit there, $40,000, which will provide slots for 10 to 12 children from low- and moderate-income families.

So, you can see that we are more than mindful that this is both an economic issue, because of our partnership with the airport and the major employer in San Mateo County, and the use of the funds that we are investing throughout the county.

We use these dollars not for operational purposes for an agency or child care center, but rather for capital improvements and investments. So, we are very grateful for the HCD moneys. When the argument and debate which I know comes up every year in the Congress as to cutting back on these funds, remember how we are using these moneys here.

And, last, I think that when we use the word "family," which has been talked a great deal about nationally, that we remember and all of us remember how a family is configured and reconfigured today and that for those of us that have brought all of those values of family into public life, that we always think of that word as a benediction, both in our private lives and obviously in our public lives, and that we bring the cares and the problems of the people that we represent because we know about them in our own lives as well.

And that, last, I cannot help but think of something that hangs in my daughter's bedroom, who just went off to college, still my baby, but not really a baby any more, and I bought it when she was in a stroller, it still hangs there, it says, "With every child that comes into this world, God is saying that he is not yet discouraged of human kind."

So, remember our children, remember our families, remember our projects and how we are making an investment in all of our families here in San Mateo County, and thank you again, Congress-

man Lantos, for bringing your colleagues here to the county to hear from us.

I would be happy to answer any questions, if I can, and also what I did do for the benefit of everyone here. I brought a stack of invitations to the fundraiser that is going to take place October 9 at the Airport Hilton Hotel and we hope that people will come and help with their dollars and their support for the project that we want to make a reality.

Thank you.

Mr. LANTOS. Thank you very much, Supervisor Eshoo.

I do have some questions and I am sure my colleagues do. I would like first to hear from Supervisor Griffin.

Please proceed in your own way, Mary. We are delighted to have you.

STATEMENT OF MARY GRIFFIN, SUPERVISOR, SAN MATEO COUNTY BOARD OF SUPERVISORS

Ms. GRIFFIN. Thank you.

I, as a grandmother and former kindergarten teacher and a lifelong participant in activities involving children, I am delighted to have this opportunity and, in fact, I paid you the ultimate compliment, Congressman Lantos, and the rest of your panel, because I delayed by 1 day a very highly anticipated trip back to New York for our visit with our 5-month-old grandson, but I believe so strongly in the need for quality child care that I insisted that we not leave until this afternoon.

Mr. LANTOS. We appreciate it.

Ms. GRIFFIN. I want to say that as an educator, I have seen many children who suffer from malnutrition when they enter school. Not from the kind of malnutrition that twists bones and causes scurvy, but a much more insidious form of malnutrition, the kind of malnutrition that bends minds and warps emotions, the kind of malnutrition that makes children at a disadvantage already when they are 5 years old and entering school.

It actually creates a handicap within those children that takes years to overcome, if ever, because unless a child has been placed in the kind of early childhood environment that provides enrichment, that has quality care, it is difficult, if ever, for that child to have all of the necessary functions to operate on the highest possible level.

I want to compliment the board of supervisors in San Mateo County because this, indeed, has always been a high priority for me in my life, but when I came on board, I find I am working with four colleagues who are equally dedicated to advancing quality child care.

I was asked to speak today about two activities in which I am involved. The first one is composed of a group of central San Mateo County community leaders. We were brought together in 1986 by the United Way of the bay area to survey the community problems, and this was the beginning of the Mid-County Action Program, we call it MCAP.

It is a project designed to address major human service problems in central San Mateo County, which is the six most center cities,

Belmont, San Mateo, Foster City, Hillsborough, Burlingame, and Millbrae, and there are 12 representatives who put this group together, from business, labor, local government, education and human services, and they identified eight major topic areas to be explored: Child care, education, employment, health, housing, mental health, substance abuse, and transportation.

I chair the MCAP child care committee, and it has identified specifically that there is an acute shortage of affordable child care in central San Mateo County, that less than 30 percent of the child care needs are being met by licensed facilities. There is increased evidence that cities need to take a more active role in encouraging the establishment of affordable child care facilities.

No action plan has been developed in the midcounty area to encourage city governments and businesses to be more responsive to child care needs, and our committee is working toward that end. We are working for better coordination and better cooperation among the existing programs as well as trying to develop new efforts.

In conjunction with our action plan, we will be hearing later about the Governmental Research Foundation, which has completed a study on the impact of child care on the growth and development, and we are in the process of incorporating their study into our efforts.

The recommendation action was that we should undertake a study and, Anna, we are pikers, we are looking for $36,000 through the generosity of Foster City and the city of San Mateo as well as United Way, we are almost halfway to that mark.

What we want to do is to develop an analysis of current employer related child care programs and city involvement in solving those problems, and in developing the action plan, we can outline alternatives then for the cities to consider encouraging and facilitating such programs.

The projected results are that this analysis would determine the effect of child care conditions on growth and development in the midcounty area and we are constantly making aware the cities, businesses, developers and the communities of the need for adequate and affordable quality child care.

I think that the long-term goal, of course, is that we will develop long-range strategies to ensure that the cities continue to respond to these child care issues, and certainly as a former city council person, I know that it is difficult to weave all of these things into your city plans, but in Millbrae, we were able to enact a three-way joint project between the elementary schools, high schools, and the city of Millbrae for latchkey programs, which I was very proud of, and it is my dream that if this thread does happen in the central part of the county, so that we can weave together the fabric of child care, we can expand that into a county child care task force that can serve to strengthen the network of child care issues.

There is another program with which I am affiliated, the county board of supervisors was in it from the beginning, the Redwood City Consortium for School-Age Child Care. It was founded in May 1985 by a group of community leaders interested in addressing the need for additional child care for latchkey children, and these are the children, as you all know, whose families work and who must

be home alone after school. They have a greater than normal chance of becoming victims of accidents or violence.

Those are some of the malnourished children that I tell you about. They may also have a more difficult time making and keeping friends. The consortium was originally founded by San Mateo County, the city of Redwood City, and the Redwood City School District. Since then, it has received money from three foundations and several community organizations as well as the State of California.

All of this money has been used to employ a child care consultant to work closely with the consortium. It has been working to promote more after school programs, both on and off school sites, and in family day care homes. Their goals include developing resources and services for children who are presently caring for themselves at home, raising funds to assist families who cannot afford quality child care and increasing awareness in Redwood City concerning the needs of latchkey children.

The membership in the organization is free and they are all individuals and organizations interested in after school care. They have recently developed a model plan which they hope will be used by many organizations and localities.

I feel that the Federal Government is in a position to assist through funding countywide or urban projects like this Redwood City Consortium. Even if such projects do not address affordability, they certainly do address availability, which is another problem in this county.

Even professional parents have difficulty finding suitable quality child care. I think that the Federal Government needs to be involved by helping school districts borrow money to solve their child care problem. Only a few school districts have the additional funding available to provide before and after school care so greatly needed by many working parents.

You have addressed some of the tax laws. I believe that at the present time, that we need to address more money to the job training programs because at the present time, there is no money in the Federal job training program specifically earmarked only for child care. They are given money and they parcel it out however they please. I do not mean however they please, but however they feel they can, and I think we must remember quality child care is important, that the child care giver has to earn a living, too, and I do not think we should be—because for too long child care givers have subsidized child care in this Nation.

I think that the middle-income parents, as you pointed out, are struggling to support a family in San Mateo County, and are caught in the dilemma of being underqualified or underexperienced for better kinds of positions sometimes and above the threshold allowed for State assistance. I think that is another area that needs to be addressed.

The real bottom line is a lapse in benefits not only to children but to society as a whole. We have learned through studies, such as the one done in Michigan, the High-Scope Educational Research Foundation study, that early developmental education benefits everyone. Children have higher academic performance levels, lower delinquency rates, and better earning prospects, which translate into economic gain to everyone in this country.

I appreciate and urge you to continue to further these efforts to strengthen the structure and fabric of our future generation.

[The prepared statement of Ms. Griffin follows:]

MARY GRIFFIN
San Mateo County Supervisor

September 11, 1987

The Honorable Tom Lantos
1707 Longworth House Office Building
Washington, D. C. 20515

Dear Congressman Lantos:

In December 1986, a small group of Central San Mateo County community leaders were brought together by the United Way of the Bay Area to survey their communities' problems. This meeting was the beginning of the Mid-County Action Program (M-CAP), a project designed to address major human service problems in Central San Mateo County. The M-CAP project includes the cities of Belmont, San Mateo, Foster City, Hillsborough, Burlingame and Millbrae.

Twelve representatives from business, labor, local government, education and human services in Central San Mateo County served as the Project Organizing Committee. The committee identified eight major topic areas to be explored at the Community Forum: Child Care, Education, Employment, Health, Housing, Mental Health, Substance Abuse and Transportation.

The M-CAP Child Care Committee identified specifically that there is an acute shortage of affordable child care in Central San Mateo County. In 1986 there were approximately 12,500 children who needed child care and only 3,662 licensed child care slots. This means that less than 30% of the child care needs are being met by licensed facilities.

There is increased evidence that cities need to take a more active role in encouraging the establishment of affordable child care facilities. No action plan has been developed in the mid-county area to encourage city governments and businesses to be more responsive to child care needs.

In conjunction with our Action Plan, the Governmental Research Foundation has completed a study on the impact of child care on growth and development in San Mateo County and we are in the process of incorporating this paper into our efforts.

County Government Center
Redwood City, Ca. 94063
NORTH CO 873-1800 CENTRAL CO 573-2222 SOUTH CO 363-4571 COASTSIDE 726-5581

Recommended action was that a study needs to be undertaken to analyze the present status of child care needs, to examine current employer-related child care programs and city involvement in solving child care problems; and to develop an action plan outlining alternatives for cities to consider encouraging and facilitating the establishment of affordable child care facilities.

Projected results are that this analysis would determine the effect of child care conditions on growth and development in the mid-county area, and would heighten the awareness of cities, businesses, developers and the communities of the need for adequate and affordable child care. The action plan will outline options for cities to take which will increase the supply of child care facilities by direct and by facilitative activities and will develop long range strategies to insure that cities continue to respond to child care issues.

This recommendation was the basis for the formation of the Child Care Task Force for San Mateo County. I am serving as the Chair. Invited to participate were

- City Councils
- City Planning Commissions
- Chambers of Commerce
- School Trustees and Administrators and other interested public and private providers.

We have met twice and are working on the identified Action Plan. The Action Plan includes the following tasks:

- Obtain initial funding for project
- Contract with agency for coordinator
- Recruit and hire coordinator
- Coordinate with SMCDA Governmental Research Project
- Review study results with Task Force
- Examine present efforts of cities
- Examine present efforts by employers
- Examine approaches taken by other cities
- Develop action plan for cities
- City adoption of option(s)
- Monitor and evaluate
- Long range strategy to insure continuation.

Another program with which the County Board of Supervisors has been associated is the Redwood City Consortium for Child Care.

The Redwood City Consortium for School-Age Child Care was founded in May, 1985, by a group of community leaders interested in addressing the need for additional care for "latchkey" children. These children, whose families work and who must be home alone after school, have a greater than normal chance of becoming victim of accidents or violence. They may also have a more difficult time making and keeping friends.

The Consortium was originally funded by San Mateo County, the City of Redwood City and the Redwood City School District. Since then, it has received money from three foundations, several community organizations and the State of California through two grants and most recently through the GAIN Program. All of this money has been used to employ a child care consultant to work closely with the Consortium to increase the number of after-school child care slots.

The Consortium has been working to promote more after school care programs both on and off school sites and in Family Day Care homes. Our goals include developing resources and services for children who are presently caring for themselves at home, raising funds to assist families who cannot afford quality child care and increasing awareness in Redwood City concerning the needs of latchkey children. Membership in the Consortium is free and open to all individuals and organizations interested in after-school care.

We have recently developed a model plan for community-wide after-school child care with specific goals and objectives to be achieved. This plan is available to other groups interested in increasing after-school child care options. In addition, the Consortium has initiated the development of five new after-school child care programs, four at school sites. When fully operational, these programs will provide care for 150 children. Thirdly, the Consortium is in negotiation for a second year of GAIN funding by developing a program and initiating an RFP process. Basic to the concept development is a Parent Advisory Committee which will remain an ongoing component of the program. My role is to act as the Board of Supervisors liaison to this Consortium.

The federal government is in a position to assist through funding county-wide or urban projects like the Redwood City Consortium. Even if such projects do not address affordability, they do address <u>availability</u>. In this county, even professional parents have difficulty finding suitable quality child care.

Another area in which the federal government could become involved would be by helping school districts funnel money to solve the child care problem within their districts by making full-day care available. Only a few school districts have the additional funding available to provide the kinds of pre-school and after school care so greatly needed by many working parents.

There are still other areas where tax credits or funding could be helpful. Though the new tax laws continue to assist parents and employers by making employer-provided child care tax-free to parents and a tax credit to the employers, there is also a need for more money in job training programs. At the present time, there is no money in the federal job training program specifically earmarked <u>only</u> for child care. The State of

California has addressed that omission through the Joint Training Powers Act Child Care Program. It is felt the federal government should address this need. In San Mateo County, a middle-income parent struggling to support a family is often caught in the dilemma of being underqualified or underexperienced for better paying positions, and yet above the threshhold allowed for State assistance. An assured stipend for child care during that re-entry or transition period would not only address those needs, but would also provide the enriching background necessary to ensure that the next generation will have the opportunities necessary for successful adulthood.

The real bottom line is a lasting benefit not only to children, but to society as a whole. We have learned through studies such as the one done by the High Scope Educational Research Foundation conducted over the past eighteen years, that early developmental education benefits everyone. Children have higher academic performance levels, lower delinquency rates and better earning prospects, which translates to economic gain to everyone in this country. I urge you to further these efforts to strengthen the structure and fabric of our future generations.

Sincerely,

MARY GRIFFIN
Supervisor
First District

ph

Mr. LANTOS. Thank you very much, Congresswoman—I am a little ahead of myself.

Ms. GRIFFIN. Thanks for that.

Mr. LANTOS. I was only ahead of myself. Thank you, Mary.

Let me ask a question of both of you that I ask with some trepidation, so let me preface it. The House of Representatives opened its child care center last week, which shows how tardy and inadequate our response has been to a growing national problem. As a matter of fact, the House of Representatives child care center, which opened last week, already has a long waiting list, and it shows how inadequately we are coping with this.

Now, Anna, you mentioned that the county is the second largest employer on the peninsula. My question is, are there any plans or what are the plans or what could be the plans for the county to be a model for other employers in this area and in what ways the Federal Government can be of assistance in translating your plans into reality, and I would like both you and Mary to respond.

Ms. ESHOO. It is an excellent question because surveys have been done of our county employees, it is a work force of about 4,200 people——

Mr. LANTOS. Yes.

Ms. ESHOO [continuing]. And they are obviously not all in the same place, but if you have a seat in Redwood City, there are many, many employees housed in those buildings.

We developed, and the board obviously has allocated funds to support a parent resource center, and our partner in that has been the Child Care Coordinating Council in the county, which is, for the Congressman here from New York, you could use this organization as a national model. I mean, they are that outstanding a professional in terms of how they operate and they have been a great partner and the county government has helped make this happen.

And, so, we have—the moneys that go into the parent resource center are there to pay for staff that will come to the different places in county government to work with the employees to direct them to quality child care throughout the county, but do we have anything onsite, no.

Worse is that we do not have the resources for it, to be frank with you. I mean, our budget is so strained, this last budget session was really the toughest since 1978. So, you can see that where we may use that money has been—we have really made the dollars dance, but I think that in terms of when you spoke about being a model for other employers, we always learn that we need to be a good model right out of our own homes to our own children, that we have shown that to other employers in the county, we have through my office sponsored workshops and luncheons wherein we would invite employers in the county to meet with other potential employers listening to one another, so that the business people are talking to each other and it is not the Government saying so.

I think that in terms of the bills that are moving through the Congress right now, if you can provide a tax break, a motivation for employers, that that is going to create lots of new windows of opportunities for people because people that are in business obviously have to look at their own self-interests and their own profit, and our message to employers has been that because it is such an

economic determinant in our community that you lose when your employees stay home to take care of their children. If they have to call in and lie and say I am sick today, when they really are staying home to take care of their children because they cannot get care for them, that the company or the corporation and the community loses overall.

So, whatever you can build into legislation that will motivate employers to provide opportunities for their employees and, therefore, win in terms of the bottom line profits, I think, is going to make an enormous change in the country, and any dollars that, Congressman Lantos, you can secure to help us set up a model and you know that San Mateo County has been a model over the years for many pilot programs, I think that we could put something together that would make you the proudest Member of Congress relative to this issue.

Mr. LANTOS. I appreciate that.

Ms. GRIFFIN. If I can piggyback that by now sitting in on the parent resource center negotiations and yesterday we got over a little minor hurdle because even though we are the policymakers, we still have the bureaucrats out there to work with, and we have, Anna and I both, stood firm, well, everyone stood firm during the budget hearings, because there was a move to cut the funding for this, from departments heads who were looking to save money.

We said no and it was wonderful, but yesterday they finally found some help, Anna, but they said they could not have a phone. So, I had to go back and say, you know, take my phone, I believe in this so strongly, what do you mean you cannot find a phone. We had a phone in 15 minutes, but it is a constant, constant need for educating, not the parents, but educating the people, the supervisors, and, Anna, you will be happy to know that we sat down again with personnel and said what are we doing, what are we doing to educate the supervisoral staff, the supervisors, the online supervisors, about what child care options there are and how to go about it, and we are developing new techniques and new workshops for that, so that our staff line supervisors will be more understanding and more aware and more accepting of this need because if the online supervisor is not accepting, nothing is going to happen. That is where it really counts.

Mr. LANTOS. Congressman DioGuardi.

Mr. DIOGUARDI. Thank you.

Supervisor Eshoo and Supervisor Griffin, thank you for your testimony. I appreciate really your efforts on planning in this area because I think that we have got to put a lot of thought on what we do here so that we get the maximum positive effect so that funds are not wasted. Funds, as you know, are very scarce now in the Federal level with the extreme budget deficits that we have and localities, such as yours, are under great pressure as well.

So, it is important to know where we are going and to develop the model that will work. It is interesting. I was not aware that we last week opened up the day care center in Washington. We have to do a better job of publicizing that, but we do have, believe it or not, 31,000 employees in Congress with the congressional staff and whatnot. That may include also our districts, but we are talking about a very large body of people and I think there is no better

place to create a successful model than in Washington and, hopefully, we can do it there.

The idea of tax incentives, I think, is a very good idea because there is a lot of self-interest here and I think we have got to give corporations an additional push and at a time when it is difficult politically to find monies for programs, although this is one, as I said before, that should not be held hostage to the budget crisis, I think that tax incentives and other kinds of incentives would be a way to go because they are more in line with the public/private sector partnership that we seek to achieve.

So, I appreciate your testimony. I have some questions that I will submit for the record, and thank you.

Mr. LANTOS. Congresswoman Pelosi.

Ms. PELOSI. Thank you, Mr. Chairman.

Thank you, supervisors, for your testimony. It was very helpful. I have just two brief questions.

One is, let us assume that San Mateo again will be the model for the rest of the country, in your planning and in your experience here. I believe you have facilities that are publicly funded, for mentally handicapped children.

I think that this would be an important lesson or experience for you to pass on to others as well. I know in the Congressional Caucus on Women's Issues, we would be very interested in learning more about what goes on in this area.

I also know that it is not 52 weeks of the year. If there is one thing we want from child care, it would be that it is consistent and a parent who is a working parent, could depend and rely on that.

Do you, either supervisor, do you know anything about the facilities for the mentally handicapped in the county?

Ms. ESHOO. Well, it is an area that has such crying need, I think that it was an issue, to be frank with you, maybe in the sixties and early seventies, received a lot more attention, therefore, a lot more funding. That was part of a much higher level of care. The intensity of care for the children. So, the operational and ongoing expenses of that kind of facility are that much greater, and I do not know anyone regardless of their economic background—I mean, their family budget would be strained in terms of the dollars that need to be directed to take care of youngsters that are in that situation.

So, we do not have a plethora of projects in the county relative to that kind of care because it is so difficult to get the money for it. Community groups and organizations are working, I mean, I think, literally 24 hours a day to try to raise funds for ongoing care, but we do not have, to be frank with you, nothing comes to mind in terms of——

Ms. PELOSI. Project Reach is the closest.

Ms. ESHOO. Yes. Project Reach.

Ms. PELOSI. Because they deal with the emotional end.

Ms. ESHOO. Yes. Developmentally disabled youngsters. We would invite you to come and see their work because it is really moving. I do not know if Shirley has or not.

Ms. PELOSI. So, there would be another area where Congress could be helpful in being specific—I am talking about just day care.

Ms. ESHOO. Yes.

Ms. PELOSI. Congress could be specific in its direction in terms of tax incentives for business to have onsite, but other forms of child care legislation.

Ms. ESHOO. The dollars really are directed, I think, in two ways relative to the Federal Government. One, programmatically, that the community-based organizations through local government will allocate those dollars, et cetera. The other is the public/private partnership concept and the whole idea of employer supported child care, the tax incentives, et cetera.

I mean, the employer is not going to be providing something for free either, and some would say these are all freebie programs. They are not. I mean, there are people that are very willing to pay for care. The problem is they cannot find it.

Ms. GRIFFIN. Availability is equally at issue with affordability, and I still think that the Federal Government is into the job training a little bit. But here in California, because the Federal Government has not funded it, the State of California has stepped in and picked up the slack for the training program that the Federal Government does not address.

They have for the Job Training Partnership Act, there is a child care program that is funded solely by the State of California, Nancy, Congresswoman Pelosi, because—and I think that is an area that the Federal Government really does need to address.

This would enhance the whole economy. If people are allowed to upgrade their skills, to reenter the job market, and be provided with the child care necessary, but if you are not a low enough threshold economically, you are not entitled to some of the State subsidies.

I think that that is an area that really needs close examination by the Federal Government, this particular area, too, because it is so hard to find this kind of child care. There is not a long enough period to allow women or men, whoever is the child care provider, to get this training to upgrade and reenter the market. Another area.

In San Mateo County, we will hear testimony later about the numbers of small businesses, so that will be another area that will be addressed, about how that can be approached, and the need for flexibility, not always onsite as the ideal situation.

Ms. PELOSI. Well, in terms of the availability, Supervisor Griffin, I think that about one-tenth of the child care energy that is being exerted in terms of public policy, et cetera, is actual child care and probably like 90 percent or some staggering percentage is referral because many people are confronted with that problem. That is good in terms of referral, but it is not good in terms of delivery of services in the child care area, specifically.

So, anyway, we will look to you for some more suggestions and——

Ms. GRIFFIN. And, of course, the issue of insurance, which precludes a lot of child care. Insurance and it might make the difference between a child care center staying in business and going out of business.

Ms. PELOSI. I understand that. I also serve on the Banking, Housing and Urban Affairs Committee, which provides some of the legislation which, hopefully, provides the funds and Chairman Lantos

of our subcommittee has oversight of that. So, in any case, hopefully, a complete package can be developed which addresses the needs of all small business, particularly small business which is the child care center, day care center.

Many of these businesses are women-owned and operated. So, from a minority and women-business standpoint, it is all healthy and wholesome for our economy as well as for our children and for working parents.

I have a lot more questions about teen parents, et cetera, in your county. Perhaps we will hear about that in further testimony.

Thank you, Supervisor Griffin. Thank you, Supervisor Eshoo. Thank you, Mr. Chairman.

Mr. LANTOS. Thank you very much, Congresswoman Pelosi, and before I let our two distinguished panelists go, allow me just to make an observation.

It seems to me that we are really dealing with a whole lot of separate issues here. The bulk of the businesses in San Mateo County are small businesses which obviously cannot provide onsite child care facilities. But there are some which are large and county government is one of these.

Now, it seems to me that we have got to break through some bureaucratic barriers and allow me to go back to my experience as school board chairman in the Millbrae School District. At one point in Millbrae, we had enormously large class sizes and this was during the flush period. There was enough money and I was advocating the outrageous class size be cut and I was told that even if they do, that there is no place to put the children because there are just so many classrooms. Some of those classrooms are huge and we proceeded to cut them to two classrooms.

Now, it seems to me that the first thing we have to do with large employers, like the county, like the airport, like the Hewlett-Packard, and the Genetec and whatnot, is to see to it that they provide the physical place where an onsite child care center can be placed, and in all organizations above any size, if there is an impresario, if there is someone high enough who pushes, space can be found for whatever his or her pet project is.

My plea to the two of you, because the two of you are so uniquely qualified to do that, is to break through that bureaucratic barrier and provide those of us in Congress with a peg with which we then can come and help you. The Federal Government in the foreseeable future is not going to provide capital facilities for the building of child care centers. That is just not in the cards.

We will be able, I think, as time changes, to provide funding for various ongoing activities, subsidizing where clearly parents cannot afford anywhere near the ongoing price, providing pilot project money and this sort of thing, and my earnest hope is that, in fact, San Mateo County can become the model here, as I hope Westchester County can, because we are the wealthy counties of this country.

While it does not seem that we are budget tight, nevertheless, the facts bear that out, and I think cooperatively we will be able to move. So, my thanks to both of you for the leadership you have given and my firm expectation that together we will move ahead further.

Thank you very much.

Ms. ESHOO. Thank you.

Ms. GRIFFIN. Thank you. [Applause.]

Mr. LANTOS. One of the many departments and agencies of the Federal Government, which is under the jurisdiction of this subcommittee, is the U.S. Department of Labor. We had at one of our earlier hearings, the Secretary of Labor as our witness. We had a number of hearings involving OSHA, the Occupational Safety and Health Administration, the safety and health of the workplace. Just a couple of months ago, maybe, we had a hearing on the question of standards for workers in hospitals and other places with respect to their protection, their protection against AIDS and other communicable diseases, and it is appropriate that at this time we deal with the contribution of the Department of Labor to this question of child care.

Our witness is Shirley Dennis, Director of the Women's Bureau of the Department of Labor. Ms. Dennis has three grown daughters, is a grandmother of a 9-year-old, and has been a working woman for, although this is difficult to believe looking at you, she claims three decades.

We are very pleased to have you. Your entire testimony will be entered in the record, and we would appreciate your summarizing your main points.

STATEMENT OF SHIRLEY M. DENNIS, DIRECTOR, WOMEN'S BUREAU, U.S. DEPARTMENT OF LABOR

Ms. DENNIS. Thank you so much, Mr. Chairman.

I am, indeed, honored and warmed this morning to be here with your committee and to have heard the testimony from the previous witnesses.

I want to thank you for inviting me to share in your discussion of this important issue, child care.

The Women's Bureau of the Department of Labor welcomes the committee's interest in this issue and we believe that for working parents, child care is an important issue, not only to employment opportunities for women but also because we need it to meet the work force of the future, the needs of the work force of the future.

As members of the subcommittee know, Secretary Brock, through his Work Force 2000 Project, is really providing us with a glimpse of a future, and what projections tell us is that women, especially women of childbearing age, will be the major source of new work force entrants in the foreseeable future, and with the continued growth of service industries in anticipation of a worker shortage, it becomes absolutely important that we place a premium on the need to attract and retain qualified workers.

We see today's hearing on child care as stimulus for considering how employees can be more effective at work and at home. Specific policies can include child care and elder care, flexibility in hours of work, leave patterns and benefit packages, and prorated benefits for part-time employees.

We also have already heard and know that we need more quality, affordable child care and the challenge is simply how can we do that.

I would like to emphasize today three points. What is already being done in the private sector, what is being done in the public sector, and our recommendations for future efforts.

I would like to begin with the last 5 years because we have seen a fourfold increase in the number of private employers providing some form of child care assistance. The Conference Board estimates that more than 3,000 employers are providing some type of family support program. That is a tremendous growth in the number and we are delighted to say that at a conference the Labor Department held earlier this year, called Work and Family: Seeking a New Balance, that some employers mentioned how they have benefited by reducing absenteeism, lowering job turnover, facilitating recruitment, and enhancing community relations.

We also know that a number of small businesses have joined to form a consortium for child care centers, such as the Prospect Hills Parent Center in Waltham, MA. Cost services and benefits are shared in a way which no single small employer could realize alone. The concept of industrial park child care is already in place here in California and we are beginning to see more partnerships in other places, such as Tysons Corner in Fairfax County, VA.

Some day care programs, such as 3M Sick Child Care Pilot Program, with Home Health Plus, in St. Paul, MN, are addressing the special needs of children with minor illnesses, such as colds, so that parents do not have to lose a day's work.

Numerous efforts are being made to address the after school needs of so-called latchkey children. We have heard a great deal about that this morning. I think that we would like to stress that in many cities, there are telephone warm lines to help these children. Over 200 warm lines have been modeled after Phone Trend, Inc., in State College in Pennsylvania, and that is my home State, so I am very proud of the fact that we were out front on the latchkey problem.

A new effort for latchkey children is a nonprofit public benefit corporation called Elder Tot Centers, Inc., developed also here in California and staffed by volunteer senior citizens. Some employers are offering financial assistance, such as negotiating discounts with community centers and with child care chains.

Other forms of child care subsidies have been provided in a variety of arrangements, either as a percentage of child care expenses for all employees needing services or only for low-income employees.

The 4C's child care assurance plan in Orlando provides counseling and referral for employees, monitors the child care vendors and handles the payment of any subsidies to them. Parents, including title XX recipients, may choose placement in any one of 100 public or private centers. The key factor is that regardless of subsidy, children need not be economically or racially segregated in day care environments.

Financial assistance by employers is consistently less common than information and referral services and I think Congresswoman Pelosi has already discussed that.

A variety of financial arrangements have been worked out by employers, including U.S. BanCorp, the holding company for the U.S. National Bank of Oregon. I think it is important to note that

unions are also beginning to respond. The AFL-CIO has supported resolutions at annual meetings. The Coalition of Labor Union Women developed a model contract language. The Service Employees International Union successfully negotiated both child care referral services and an agreement with the Kaiser-Permanente Medical Center in Los Angeles. The United Auto Workers and the Ford Motor Co. joint pilot project at two plants has resulted in extensive resources.

Before moving to the public sector, I would like to mention that many communities are holding human resource subsidy seminars for child care with broad sponsorship and public/private participation which Congressman DioGuardi has often referenced this morning.

The Women's Bureau has scheduled such a conference for September 15 at the Fort Mason with cosponsorship by the San Francisco, San Jose, and Concord Chambers of Commerce, Federated Employers of the Bay Area, the San Mateo Development Association, and the Contra-Costa Council.

As for government, I would like to begin with what is happening at the State level. Many States are responding to their critical role in child care and I think that it is important to note that States are responding to specific social and economic needs, availability, affordability, quality, licensing, and supplements for low-income families.

Many States are adding to Federal funding for any day care with supplements well above the previous year's level. You no doubt are familiar with California's own child care revolving fund administered by the department of personnel administration.

Other States which have taken an important lead include Maryland through its Commission for Women, Michigan, which established the pilot program, and New York. Congressman DioGuardi, New York was the first State in the Nation to provide and sponsor worksite day care facilities for State employees on a massive basis. Centers throughout the State. Many other States are working through their departments of employee relations: New Jersey, Wisconsin, and Florida.

Some States have taken action on employer supported day care, encouraging a vigorous private/public partnership. Noteworthy among them is the leadership of Governor Kean of New Jersey, whose efforts resulted in an increase from 7 employer supported day care programs in 1982 to 55 programs in 1985.

Arizona, Wisconsin, Washington State, Massachusetts, and Iowa are also playing leading roles in this field.

Moving to the Federal Government, we know the Federal Government has played a variety of roles. Disseminating information, funding demonstration programs, providing technical assistance, and serving as a model employer. Federal funding comes from a number of sources. In most cases, child care is only one component of a program that also provides funding for other services.

The Department of Health and Human Services administers a variety of programs relevant to family support and child development services. The Department of Agriculture provides food and nutrition services for child care programs. The Treasury Department handles tax issues related to dependent care. The Education

Department provides child care services for teen parents and single mothers in vocational education programs. The Labor Department concerns are related to work and training services.

Among the major Federal programs providing support for child care services are title XX of the Social Security Act, Head Start, the Child Care Food Program, the Child Care Tax Credit for Working Parents, and as Chairman Lantos said earlier, that all totals to well over $2 billion.

Employer support is encouraged by the Federal Government through tax incentives, such as deductions for depreciation and charitable contributions, and funding for demonstration projects and technical assistance.

Many States have developed similar legislation to encourage employer participation. Technical assistance was provided by the White House Office of Private Sector Initiatives, which conducted 26 briefings for top business executives in 1983–84 in cities across the United States. Child care professionals explained the role industry can play in providing child care services.

The Federal Government also delivers a valuable service in providing the data necessary for planning and policymaking. The Census Bureau and the Bureau of Labor Statistics has already been mentioned and we obtain information from them which we need to determine the role that the Federal Government must fill.

In the Women's Bureau, we depend on that data to shape our programs and policies in child care as well. The Women's Bureau has taken a very special interest, as you might imagine, in the whole area. We believe the obligation is implicit in our mandate. Over the past 20 years, we have been actively involved in the child care issues; we have been actively involved in child care issues through national conferences, publications, research, and through a video tape called The Business of Caring. All are being disseminated without charge.

We also serve as a clearinghouse on employment-related child care and as a catalyst and serve as a resource of technical assistance for hundreds of calls. We are very proud of the fact that the Women's Bureau in 1982–83 facilitated the establishment of 19 different kinds of child care programs by employers throughout the country.

I also would like to mention the Bureau's recently completed project done in collaboration with the Rockefeller Foundation to provide child care assistance to single disadvantaged young minority women receiving job training. It is worth noting that the Women's Bureau designed and developed an onsite day care center for the Labor Department's employees more than a decade ago. It was among the first in the Federal sector and has been a model for States and other Federal agencies.

The Bureau is currently assisting in the organization of a federation of directors of child care centers in congressional and Federal agencies to coordinate their support services. So, we are very happy to hear about the new day care center that Congress has opened.

With all that I have said, we still must ask the question, what else should be done, and who should be responsible? The first level of responsibility will be as it has always been, with individual families, but employers and communities also play a role.

Our next step as a nation should be to build on the strengths already shown. Our experience has been that employers are very responsive when information on the work ability and effectiveness of family oriented work policies is made available. Government can at all levels provide more information and technical assistance to employers who want further access to child care options for their employees.

States and counties can create offices of child care to collect data and help local governments establish child care services. Visionary policymakers can foster coordination of governmental units concerned with child development, social services, welfare, and employment security.

State, county, or city governments can offer child care as an option for their own employees, which I know that you have just discussed, Chairman Lantos, or provide space and technical assistance for parent-funded child care.

Some workers will not need child care if work schedules are more flexible and if more permanent part-time jobs are developed. Mr. Chairman, this list of suggestions is a bare beginning. Communities will have to develop their own, but I believe there is a richer supply of creative options than has sometimes been realized.

I am particularly glad that you are meeting here in California where members of our Women's Bureau's regional office tell us that there is a wealth of interest and experience in the subject. I have seen so much of that already this morning, and I thank you for inviting me to participate and to share the views of the Women's Bureau with you and the committee this morning, and I would love to answer any questions if I can.

[The prepared statement of Ms. Dennis follows:]

STATEMENT OF SHIRLEY M. DENNIS
DIRECTOR OF THE WOMEN'S BUREAU
U.S. DEPARTMENT OF LABOR
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT AND HOUSING
COMMITTEE ON GOVERNMENT OPERATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

September 11, 1987
San Carlos, California

Mr. Chairman and Members of the Subcommittee:

I want to thank you for inviting me to share in your discussion of child care for working parents. We welcome the Committee's interest in an area so central to employment opportunities for women and so important to the needs of the work force of the future. As members of this Subcommittee know, Secretary of Labor William E. Brock, in his Workforce 2000 initiative, has given major leadership to stimulating an analysis of the changes we can expect in the world of work of tomorrow. Women--including women with very young children--have been the major source of entrants into the labor force in recent years. This trend will likely continue since projections indicate that women, especially those of child-bearing ages, will continue to be a major source of new labor force entrants in the foreseeable future. The continued growth of service industries and an anticipated shortage of workers with adequate skills will place a premium on policies that can attract and train workers and enable them to be productive. We see today's hearing on child care as a stimulus for considering

how employees can be more effective both at work and at home. Such policies can include child care, eldercare, flexibility in hours of work and leave patterns, flexible benefit packages that make the same number of dollars fit the needs of different workers, and benefits for part-time employees.

The Committee is to be congratulated for examining child care. We will not repeat statistics that have already been made available to you. Rather, the challenge is how the need can be met. There are three major points to be addressed in my testimony today. First, new approaches have been undertaken to meet child care needs of working families. Secondly, what initiatives--both private and public--would promote the expansion of child care options for workers. Finally, I will describe the Women's Bureau's own work to stimulate the greater availability of child care services.

I believe it is important to review examples of the various efforts that have been taken to meet child care needs. We can learn and build on these initiatives. In addition, innovative actions have been undertaken by the private sector and State and local governments. Federal Government action in this area also has been noteworthy.

I would like to present a brief overview of how individual employers and communities across the country are rising to the challenge of the new workforce. Within the last five years, we have seen a fourfold increase in the number of companies providing direct or indirect child care assistance. The Conference Board, a business analysis group, estimates that

more than 3,000 employers are providing some type of family support program. Union leaders and management have worked together to find solutions that match the specific needs of their workers. Public agencies, schools, and businesses have joined forces to develop programs that improve a community's child care services. Employers across the country have altered work policies to ease the work-family conflicts.

We observed that in the 1970's only a few employers offered either a child care center, referral services, parent seminars, or charitable contributions to community child care centers. Today, many employers are providing a family package which might include family-oriented work policies as well as allowing flexibility in work schedules. For example, the Bureau of National Affairs (BNA) in Washington, D.C., inaugurated a program of personal leave days that can be used for any reason, including the care of a sick child. A 1984 study on the effects of flexitime in 70 companies showed a 97 percent improvement in employee morale, and a virtual elimination of tardiness, as well as significant reductions in overtime and recruiting costs. Control Data in St. Paul opened a bindery staffed entirely by part-timers and found the part-time staff had lower absenteeism and lateness than full-timers at similar worksites. Federal workers have been on flexitime since 1979. Job-sharing is another policy employers have developed that can have a positive impact on work-family problems.

A number of small businesses have joined together to form a consortium child care center, such as the Prospect Hill Parents Center in Waltham, Massachusetts. Each company pays a participation fee and user fees for the various services offered: child care center, school-age program, child care referral, resource library, and parent seminars. As an amenity to the companies in the consortium who are located in the office park, the park management pays the participation fee. Marketing child care to industrial park developers is a concept already in place in the State of California, and we are beginning to see more partnerships such as the newly created Fairfax County, Virginia Child Care Development Council which is surveying 3,800 local businesses to determine what child care benefits are being offered by employers. If a business believes its employees can benefit from the availability of child care, the Council can assist them. Established by an Act of the Board of Supervisors, this initiative represents a public/private enterprise whereby industry leaders work directly with the county to achieve increased employer support for child care. Its goal includes expanding the availability of private child care resources, providing technical assistance to the corporate sector in implementing various types of child care assistance plans, and facilitating the development of office park and consortium child care services.

The leadership of the Council of Governments (COG) covering seventeen jurisdictions in the Greater Washington

Metropolitan Area is another instance where the employer child care movement is thriving. COG formed a regional Child Care Network Advisory Committee with an active membership of 60 employers, county and city social service agencies, commissions on women, state representatives, commissions on children and youth, public and private child care providers, and interested organizations. Monthly meetings include discussion of increased employer involvement as well as development of early childhood initiatives. The network has reached out into all of its jurisdictions to increase the supply of family day care homes and provide the training to better prepare their operators as small businesspersons in developmental child care. This effort has resulted in more than 600 new family day care providers serving working parents.

Unions too are beginning to respond. The AFL-CIO is addressing the issue and has supported resolutions at several annual meetings. Model contract language developed by the Coalition of Labor Union Women is available, and the Service Employees International Union has successfully negotiated child care referral services including an agreement with the Kaiser Permanente Medical Group in Los Angeles. In a joint project between the United Auto Workers and the Ford Motor Company, pilot projects at two Ford plants have studied the issues and developed programs to serve the needs of employees. The projects produced extensive resource and referral programs and access to summer day care for employees' children.

Now, let me refer to a concern of working parents: the latchkey child. A solution to this dilemma begun in many cities is telephone "warmlines" for school-age children who care for themselves. A telephone number is staffed by counselors who can provide information and support to children who are without adult supervision. Television stations in Kansas City and Milwaukee have provided publicity and funding for the development of community warmlines. Over 200 warmlines have been modeled after the program designed by Phonefriend, Inc., in State College, Pennsylvania, where volunteers provide a start-up package for companies or agencies that are interested.

A new effort to provide supervision for latchkey children is a nonprofit public benefit corporation called Elder-Tot-Centers, Inc., developed by Raymond DiSalvo of Newport Beach, California. The centers are staffed by volunteer senior citizens and provide a stop-off location for the children after school. The whole community is involved--churches, synagogues, corporations, the schools, and parents--with reliance on the community, rather than the Federal Government.

Thus, we find that employers are doing many things including giving financial assistance. Some employers have negotiated discounts at community centers and with child care chains: for example, 45 companies have a 10 percent discount agreement with Kinder-Care, the largest national chain; La

Petite Academy with 550 centers in 27 states offers a 10 percent to 160 employers. Many employers match the discount with a 10 percent subsidy for child care.

The child care subsidy has been provided in a variety of arrangements, either as a percentage of child care expenses for all employees or only for low-income employees. America West Airlines in Phoenix offers a 25 percent discount for employees at one local center or at any of the family day care homes in the company network. The Polaroid Corporation in Boston has long provided such subsidies for lower income employees, with the rate calculated on a sliding scale according to family income. City of Santa Monica employees with household incomes under $30,000 per year receive a $100 subsidy each month for child care expenses. A novel system introduced by the 4C's Child Care Assurance Plan in Orlando, Florida provides counseling and referral for employees, monitors and provides support services for the child care vendors, and handles the payment of the subsidy which goes directly to the vendor. Under this system, the employer can provide a 25 to 50 percent subsidy for child care expenses. The 4C's Child Care Assurance Plan has been instrumental in the development of similar child care subsidy plans with local resource and referral agencies in 10 different locations in Florida as well as parts of Georgia and Virginia, and will soon be available nationally through local resource and referral organizations.

We might take a moment to note the exemplary work of this Orlando 4C's agency, which also administers State Title XX funds in three counties, and refers parents by their choice to any of the 100 centers or family day care centers approved according to the agency's standards. 4C's handles all subsidies for which the parent is eligible, including public or private support. The key factor here is parental choice, and the fact that children need not be in economically or racially segregated environments during their care outside the home.

Financial assistance by employers is considerably less common than information and referral services, which were offered by 21 percent of 424 organizations polled in a recent BNA survey. Direct financial aid is most often provided through flexible spending accounts which allow employees to set aside a portion of their pre-tax earnings up to $5,000 to pay for child or dependent care. In addition, the company may link these accounts to their overall cafeteria benefit plans. Montgomery County, Maryland established a salary reduction plan for its employees in 1985. Many law firms and management consulting firms have established salary reduction agreements for employees to save taxes on child care expenses. Child Care, Inc., in New York City has offered training sessions for small businesses on how to set up a Dependent Care Assistance Plan which can be used either for employer subsidies or for a salary reduction plan. U.S. Bancorp, the holding company for the U.S. National Bank of Oregon, for example, provides a broad flexible benefit plan with reimbursement features.

The national level of consciousness is being raised due to the increasing involvement of the research, academic, and government communities. A number of reports, briefings, and studies have helped to stimulate the dialogue. Examples from both the private and public sectors include the Bureau of the Census report, "Who's Minding the Kids?"; the Population Reference Bureau's "Juggling Jobs and Babies: America's Child Care Challenge"; the American Telephone and Telegraph's study with Bank Street College; the reports by the Conference Board and the Center for Public Advocacy Research; the Department of Health and Human Services projects on employer-sponsored child care and related issues; the Women's Bureau publications and its videotape on employer-instituted child care assistance efforts; the White House's briefings across the country for business executives; and the CATALYST National Study of Parental Leaves.

Many communities are holding human resources strategies seminars with broad sponsorship and public/private participation. The Women's Bureau has scheduled such a conference for September 15th at Fort Mason, with the cosponsorship of the San Francisco, San Jose, and Concord Chambers of Commerce, Federated Employers of the Bay Area, the San Mateo Development Association, and the Contra Costa Council.

State and local Offices of Economic Development cosponsorship of child care business opportunities conferences with local organizations is another mechanism for developing

resources. Not only are these meetings leading to changes in the workplace, they also require a new degree of cooperation and coordination among the many and diverse players in the challenge of balancing work and family.

Turning now to the States, we see that they have indeed undertaken a number of initiatives. States are examining their citizenry, their social and economic needs, and are responding creatively to their obligations. State legislative developments critically affect funding to improve the availability, affordability, and quality of child care. Licensing is a State responsibility, as are decisions to supplement Federal programs for low-income families. The States, as employers, are beginning to address the issue of child care assistance and services for their own employees. Let me mention just a few of the many examples that could be given.

California has a child care revolving fund administered by the Department of Personnel Administration to assist nonprofit corporations in providing child care. As of January 1986, 46 applications had been sent out by the State. California is the only State that mandates its agencies to provide child care resource and referral services for the general public and for State employees in each of its counties.

Maryland's Commission for Women created a Task Force on Family-Oriented Personnel Policies to determine the effects of State laws and policies on State employees. The result of their surveys led to support for policy changes such as parents

of school-age children being permitted to be absent from their jobs in State Services during summer months. In Michigan, a pilot day care program was established to serve children of State employees, the Michigan Legislature, and the Lansing School System.

Labor-management committees in New York and Minnesota conducted surveys on child care needs. New York's unique contribution lies in its being the first State in the Nation to provide and sponsor worksite day care facilities on a massive scale. Launched in 1981, in conjunction with its six unions, there are currently more than 30 such centers for State employees' children with an additional 50 to be added by 1988. All centers handle infants through kindergarten-age children. Some also provide summer and after-school care.

Many States work through their Department of Employee Relations. In Wisconsin, the Employee Assistance Program was expanded to provide direct assistance through referral and information services. In New Jersey, 1985 fiscal allocations supported a statewide clearinghouse for information and referral services. New Jersey also has a pilot center financed by the Department of Human Services and employees fees. The State of Florida became involved in I985 when the Legislature appropriated funds to establish worksite child care for its employees to serve as a model and encourage child care initiatives for Florida's public and private sector employers. The

center opened in 1986, and serves 62 state employees, 58 percent being single parents and 55 percent receiving Title XX child care subsidies.

States have also taken action on employer-supported child care, encouraging a vigorous public/private partnership. Governor Kean of New Jersey convened a conference of business executives in 1982, to emphasize the importance of the corporate sector in the provision of child care as a means of helping his State's economy. At the same time, the Governor named a liaison on Employer-Supported Child Care to function as a one-stop information resource to New Jersey employers. In 1982, there were seven employer-supported child care programs. With technical assistance and promotion by the Governor's office, this number grew to 55 by 1985, an increase of almost 700 percent.

Arizona, for another example, increased funding for the Title XX-funded child care subsidies program by $2.65 million or almost 18 percent between FY 1985 and FY 1986, as did California by $41 million or more than 11 percent in the same period. Illinois increased funding by $5 million or nearly 14 percent.

Wisconsin established a child care fund of $400,000 for employment and training pilot programs to help AFDC families enter the job market. Washington State increased its subsidized funding and also appropriated $2.9 million to implement preschool legislation in 1986. Rhode Island expanded and made

permanent its pilot low-income child care subsidy program and broadened eligibility. Massachusetts spent $18 million in FY 1986 to provide vouchers to fund 5,000 child care slots for children whose parents were participating in Massachusetts' Employment and Training Programs. In FY 1987, the project served 6,000 children at a cost of $20 million. Additionally, a $750,000 loan fund was created for employers to start up, renovate, or construct child care facilities. New England Telephone matched this amount, offering grants over the next three years in amounts up to $25,000 to nonprofit day care centers to help pay for capital improvements and equipment. Massachusetts also appropriated $8.5 million for the Early Childhood grants program to provide child care and preschool services depending on a community's particular need, and an additional $2.8 million to supplement Federal Head Start.

Iowa increased the State child care tax credit from 10 to 45 percent of the allowable Federal tax credit. Maine is increasing its 15 percent credit to 25 percent of the allowable Federal dependent care tax credit. Florida doubled to $750,000 funds for child care for teen parents.

These initiatives suggest that States in many cases are concentrating on making the Federal system work for them. They are utilizing and expanding upon Federal models and seeking to change perceived impediments to make the best use of public dollars.

The commitment of the National Governors' Association (NGA) is also worth noting, since State policies in providing leadership to private enterprise often result from the exchanges generated by this group. NGA hosted a child care conference in 1985, and has held symposia on the issues where advocates, community organizations, employers, and others have presented eloquent testimony.

But what is the Federal role in child care? It is sometimes stated that there is no comprehensive national policy governing child care services. If the thrust of that critique is that there should be a single pattern, a single way of delivering services prescribed for all communities, then no, there is not such a plan, nor would one be appropriate. This Nation and the Congress in recent years have fostered local initiatives and encouraged priorities to be set and methodologies to be designed by the policymakers closest to the need. If, however, the intent of the critique is to say that it is time to look at the whole picture, to see what has been done well and what can be done more effectively, where money could be spent more wisely, where coordination among programs could be improved, then I favor such an effort and I am very happy to work with the Committee toward that goal.

The Federal Government has played a variety of roles: gathering and disseminating information about children, workers, families and, family child care preferences/ arrangements; funding major programs which allow flexibility to States

in administration; initiating demonstration projects; providing technical assistance; and providing child care assistance and flexitime to its own employees. Federal funding comes from a variety of sources and in most cases child care is only one component of a program that also provides funding for other services.

The Department of Health and Human Services administers a variety of programs relevant to family support and child development services; the Department of Agriculture provides food and nutrition services for child care programs; the Treasury Department handles tax issues related to dependent care; the Education Department provides child care services for teen parents and single mothers in vocational education programs; the Labor Department concerns are related to work and training support services. Among the major Federal programs providing support for child care services in 1986 were:

- Title XX, Social Security Act, which authorized $2.7 billion in block grants to the States for the provision of social services that include day care,
- Head Start, providing $1.2 billion for local community comprehensive preschool and child development programs to assist low-income, at-risk children.
- The Child Care Food Program that provided about $500 million in cash and commodities to subsi-

dize meals served to children in child care centers and family or group day care homes, and

- o The Child Care Tax Credit for working parents which represented an estimated Federal revenue loss of $2.7 billion in FY 1987.

Employer support is encouraged by the Federal Government through tax incentives and funding for demonstration projects and technical assistance. Profit-making employers are eligible for several tax deductions, such as depreciation of property and equipment in establishing programs, and charitable contributions. In addition, employers offering Dependent Care Assistance Programs (DCAP)--Sec. 129, Internal Revenue Code--may deduct amounts paid into the plan as employee fringe benefit payments. Employees who participate also benefit, since amounts paid by their employers under qualified DCAP's may be excluded from their gross income. Many states have followed this model in their own legislation. Technical assistance was provided by the White House Office of Private Sector Initiatives in 1983-84, which conducted 26 briefings for top business executives in cities across the United States. Child care professionals explained the role industry can play in providing child care services to employees. The Women's Bureau in 1982-83 faciliated the establishment of nineteen different kinds of child care programs by employers--including Nyloncraft (Indiana); Zayre, (Massachusetts); and Mountain Bell, (Colorado)--through an initiative involving each of its ten regional offices.

Also, the Administration on Children, Youth and Families within the Department of Health and Human Services has supported several demonstration projects intended to help promote employer-sponsored day care.

Before turning to what more should be done, I want to mention one more major Federal contribution: the provision of data so necessary for planning and policymaking. Through the years, the Bureau of the Census and the Bureau of Labor Statistics (BLS) have played the major role in gathering and disseminating information about children, working mothers, families, family child care preferences and arrangements. It is good news that since 1985, they have been able to expand their data gathering on child care arrangements and child care as an employment benefit.

The Current Population Survey (CPS) is a sample survey of about 60,000 households nationwide, which is conducted by the Census Bureau to provide the monthly employment and unemployment statistics. It has also been used over many years to gain information on other individual and family characteristics. The Census Bureau first surveyed child care arrangements of families in 1958, for example, for the Children's Bureau of the Department of Health, Education and Welfare, utilizing the June supplement of the CPS. Similar surveys were conducted in June of 1965, 1977 and 1982. For many years, the March supplement on incomes of persons and families has been the source of estimates of families and children by age, earnings, family type and other characteristics, including labor force; the

Women's Bureau has used it in producing its fact sheets on children of working mothers, working mothers and their children and women who maintain households, samples of which are in your kits.

Since 1985, the Census has had a supplemental question on child care arrangements on each panel of the Survey of Income and Program Participation, a longitudinal survey that allows some follow-up on the surveyed families and is geared towards providing information on the economic status and program participation of families. The first of the planned annual reports on child care arrangements covering more than 26 million children under the age of 15, "Who's Minding the Kids?" was released in May of this year and has already been given to you.

The Bureau of Labor Statistics also has sought to provide information on child care from its other surveys. Beginning in 1980 and again in 1985, in its annual survey of employee benefit plans in medium and large firms, BLS looked at what proportion of workers were eligible for child care benefits. The survey of about 1,500 medium and large private establishments covered benefits provided to a total of more than 20 million workers. In 1986, for the first time the same survey looked at the provision of flexible benefit or cafeteria plans and reimbursement accounts, either of which could permit employees to chose child care as an option.

In order to get a better handle on how employers are providing child care benefits, just this summer BLS is conducting a survey of 10,000 business establishments nationwide. This new survey of workplaces with ten or more employees, including Federal, State and local governments as well as private employers, will result in the first official information about the extent and variety of types of employer provided child care, associated leave arrangements, and means of payment by type of establishment and/or size. Plans are to publish a summary of findings during the early part of 1988. The Women's Bureau published its first report on employer provided child care in 1980. At that time, much of the data about employer provided services was gathered from private sources. Soon, we may have more comprehensive data on which policymakers and others can make decisions and take action.

What more should be done and who should be responsible? The first level of responsibility will be--as it has always been--with individual families. They are the original providers of care; indeed, the single most important source of child care for families of all income levels and types is care by relatives.

But employers and communities also play a role. My reason for describing at some length a variety of initiatives they already have taken is that I believe the next steps should build on the strengths already shown. Our experience has been that employers are very responsive when information on the

workability and effectiveness of family-oriented work policies is made available.

Government can--at all levels--provide more information and technical assistance to employers who want further access to child care options for their employees. States or counties can create offices of child care to collect data and help local governments establish child care services. Visionary policy-makers can foster coordination of governmental units concerned with child development, corporate initiatives, economic development, social services, welfare and employment security.

State, county, or city governments can offer child care as an option for their own employees, or provide space and technical assistance for parent-funded child care.

Some workers will not need child care if work schedules are more flexible and if more permanent part-time jobs are developed. However, the subject of part-time work warrants a great deal of care and thought. Employers do well for themselves and their employees when they identify technical and professional jobs that can be designed for part-time schedules and then tap into a potential supply of skilled employees, attracting and retaining them with salaries and benefits appropriate to the level of work.

Mr. Chairman, this list of suggestions is a bare beginning. Communities will have to develop their own. But I believe there is a richer supply of creative options than has sometimes been realized. I am particularly glad that you are

meeting here in California where members of our Women's Bureau Regional Office tell me there is a wealth of interest and experience on the subject.

Finally, let me address this issue of what the Women's Bureau has done with respect to child care?

The Women's Bureau has the special obligation implicit in its mandate to promote the welfare of working women, and to help those and their families most in need of services to become self-sufficient. The Women's Bureau has been involved continuously for more than 20 years in bringing the issue to the public through r onal conferences on work-related child care through its publications on Federal tax laws and guide-books on establishing child care through the work place, and through producing a widely used videotape titled "The Business of Caring" which is being disseminated without charge in response to hundreds of requests throughout the country for use by personnel administrators, consultants, and child care providers. We also serve as a clearinghouse on employment-related child care.

The most visible accomplishments of the Women's Bureau in this regard are its roles both as a catalyst and as a reservoir of technical assistance. On a daily basis, the Bureau responds to employers, unions, students, consultants, human resource specialists, public officials, community groups, advocates, and the media--anyone, in fact, who is inquiring about child care

resources and employee/employer assistance programs, or requesting statistical data and other technical information. Linkages are forged and referrals shared.

Among the continuing priorities of government is to help people become economically independent. In the case of the Women's Bureau, our mission strongly directs us to identify ways and programs that assist low-income women toward preparation for better paying jobs. In that context, in 1982, the Women's Bureau joined with the Rockefeller Foundation in a demonstration project which is now completing its fifth and final year of Women's Bureau support. The Rockefeller Foundation provides the funding to train disadvantaged, single, female, minority heads of households for gainful employment; the Women's Bureau funds the child care component in three of the sites. Parenting skills, counseling, referral services, identifying and using the full range of child care financial aid, increasing community resources for child care, self-help, and in many cases post-training child care support are facets of our program. The community-based organizations (in San Jose, California; Providence, Rhode Island; and Washington, D.C.) are institutionalizing child care support services as part of their regular training design, and have the further responsibility under our contract to assist in expanding employer-supported child care in their communities.

We are bringing the principals together with public policy officials later this month to discuss the outcomes and their experiences in providing child care services to low income families.

The Women's Bureau also designed and developed an on-site Child Care Center for Labor Department employees more than a decade ago. It was among the first in the Federal sector, and has been a model for State and other Federal agencies. The General Services Administration has opened a child care center at its headquarters office under the authority of recently enacted federal law which allows Federal agencies to provide space for child care centers that are operated through parent fees. In the Washington, D.C. area, the Bureau is currently assisting in the organization of a federation of directors of child care centers in Congressional and Federal agencies to coordinate their purchasing power, staff training and other resources within the dozen on-site programs. Among our activities, national and regional seminars are held to inform the business community of the wide variety of options for employer involvement.

To meet our objections, we are establishing linkages with the organizations and groups dealing with child care options. We welcome the opportunity to work together to improve those options.

We want to thank you, Mr. Chairman and the Members of the Subcommittee, for your interest in child care for working families and for inviting testimony from the Women's Bureau. We look forward to further opportunities to share information with you.

Mr. LANTOS. Thank you very much, Ms. Dennis.

I have a number of very specific questions which I will submit for the record because I know we are falling behind time, but I just want to thank you for a very eloquent and comprehensive presentation.

Congressman DioGuardi.

Mr. DIOGUARDI. I, too, want to thank you for your testimony and commend you for the efforts that you are undertaking with your Department to kind of coordinate what is going on around the country.

I think what I have heard so much in this case is that there is a reinventing of the wheel 20 times and this problem has so many faces to it, whether it is large corporations, whether it is large municipal entities, or small businesses, and I think the idea of small businesses getting together to provide facilities, consortium, so to speak, to which you referred, I think this is a creative idea and we need to do something perhaps through the tax laws to create better incentives to allow that to happen.

I think that the coordination that you mentioned on page 14 of your testimony is very appropriate, and I will support your efforts to see that we can do as much as we can in that area, so that what we end up with is the most effective, least costly way to do it, certainly dealing more with the human elements here than with the financial elements.

Thank you.

Ms. DENNIS. Thank you very much.

I would just like to say, Mr. Chairman, that this is a publication put out by a group out of the Massachusetts area that I mentioned, and as you can see, they are asking some of the same questions we are asking. Who is responsible and what can be done, and I think that if you would like, I would love to leave this with you for inclusion.

Mr. LANTOS. We appreciate that. Congresswoman Pelosi.

Ms. PELOSI. Thank you, Mr. Chairman. Thank you, Ms. Dennis, for your testimony. It was very informative.

I, too, have some questions, but I did want to make one comment, which is as you point out in here, some of the cuts facing Federal programs that are available. I would hope that we can count on your articulate advocacy in staving off any cuts that might be suggested in those areas because that is what menaces us as well, not only that we are trying to find new ways to do more, but there is frequently an attempt to cut back on some of this.

So, I hope that you will bring the same advocacy that you brought here today and help us in that fight against those cuts.

Thank you, Mr. Chairman.

Mr. LANTOS. Thank you very much, Congresswoman Pelosi, and thank you very much, Ms. Dennis.

Ms. DENNIS. Thank you.

[Ms. Dennis' responses to additional subcommittee questions follow:]

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
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TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
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ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

October 14, 1987

Ms. Shirley Dennis
Director
Women's Bureau
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Ms. Dennis:

You will recall that when you testified at the Subcommittee hearing in San Carlos on child care, Rep. DioGuardi and I indicated that we would submit questions with a request that you supply answers for inclusion in the record. We will appreciate responses to the following queries.

1. You testified about the Labor Department day care center and several Federal government programs which assist child care in various ways. However, the 1985 law authorizing agencies to provide space, utilities and start-up assistance to child care programs for their employees is quite limited. In what ways do you believe it should be broadened?

2. The funds available for support services, including day care, under the Job Training Partnership Act (JTPA) are severely limited. Since we know that lack of child care is a major barrier to low-income women getting training and jobs, is the Women's Bureau supporting an amendment to JTPA to liberalize use of these funds?

3. The enclosed article, "Who Are Child Care Workers?", co-authored by one of the witnesses at our hearing, raises urgent questions about definitions and data relating to child care workers. Most of the problems cited pertain to the Bureau of Labor Statistics (BLS) and the Census Bureau. In view of the Women's Bureau's reliance on these data sources, what steps are you taking to address this issue?

Mr. DioGuardi submits the following questions:

1. The Metropolitan Washington Council of Governments formed a regional Child Care Network Advisory Committee. Is there any national initiative along this line?

Ms. Shirley Dennis
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2. Can you provide any statistics on how many children are estimated to be in "Latch-Key" situations across our country?

3. Deborah Trimble of the Menlo Center at the U.S. Geological Survey talked about the obstacles she had to overcome to set up the "Geokids" program. It seems to me we need a clearinghouse on information to provide folks to technical assistance they need when day care initiatives are undertaken. Do you have any ideas on such a clearinghouse? Could it be undertaken by the Women's Bureau.

Please respond no later than November 21, 1987. Thank you for your cooperation.

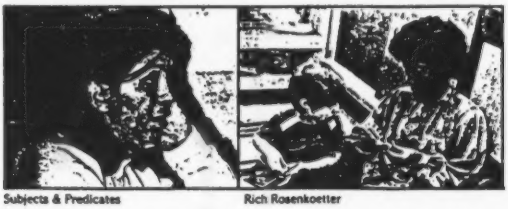
Sincerely,

Tom Lantos
Chairman

Enclosure

Who Are Child Care Workers?

The Search for Answers



Subjects & Predicates — Rich Rosenkoetter

Deborah Phillips and Marcy Whitebook

You receive a call from the local newspaper. The reporter wants to interview you about the early childhood profession. Terrific! She starts by asking you how many early childhood teachers there are nationwide. Your throat goes dry and your hands start sweating. Already you can't answer a question, and it's so straightforward.

Your State's human services agency has agreed to review the salary schedule for child care workers in state-subsidized programs. They've asked you to prepare a summary paper that compares child care salaries in different states and contrasts them to the salaries for other comparable professions. You grab the opportunity, starting with a call to the U.S. Census Bureau. After an hour on the phone you are still trying to understand how they classify child care workers.

As two individuals who have tried to make sense of our national statistics on the child care workforce, these scenarios are all too familiar. It is a frustrating task, like negotiating a labyrinth with no exit. Furthermore, the lack of comprehensive, reliable information hinders the early childhood community's efforts to establish and promote its work as a vital profession.

Recognition of the importance of early childhood staff is increasing despite intolerably high turnover rates, a growing shortage of qualified personnel to fill vacancies, and persistent low morale among these underpaid, undervalued workers (Whitebook, 1986). The time seems ripe for a major initiative to improve the training, working conditions, pay, and, ultimately, the status of early childhood teachers.

Without accurate, basic data on the early childhood work force, however, advocacy efforts are handicapped. When we call for higher salaries, we are asked, "Higher than what?" When we state that job turnover is excessive, we are asked, "How excessive?" And, when we demand better benefits, we are asked, "What benefits do you get now?" Our answers come from local salary surveys conducted in a few regions across the country. Nationwide or even statewide figures do not exist. Informa-

Deborah Phillips, Ph.D., is Director of NAEYC's Child Care Information Service, which offers resources and referrals on national child care issues.

Marcy Whitebook, M.A., is Director of the Child Care Employee Project, a resource clearinghouse for child care staff seeking to upgrade their wages, status, and working conditions. For more information write to: CCEP, P.O. Box 5603, Berkeley, CA 94705.

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Lois Main

Without accurate, basic data on the early childhood work force, advocacy efforts are handicapped.

Subjects & Predicates

tion on benefits and working conditions is even harder to find.

Public perceptions of the early childhood field also suffer from our inability to provide basic information about ourselves. We cannot tell people who we are. We do not even have an accurate count of early childhood teachers.

The need for a comprehensive, national, up-to-date data base on the early childhood work force is critical. It is up to us to demand that it be developed and to offer our assistance. This article is designed to launch this effort. We start with an overview of data from federal agencies, their definitions of the child care work force, and major limitations of these data. We then propose several first steps in an effort to develop an accurate, realistic national profile of our profession.

Entering the maze

It is very instructive to call the U.S. Bureau of the Census (Census) and the U.S. Bureau of Labor Statistics (BLS) with a set of basic questions about the early childhood work force. These two agencies collect most of the available information on our national labor force—its size; worker characteristics such as age, sex, race, and education; distribution of workers across occupations and industries; rates of employment and unemployment; salaries and income; and average hours of work (Table 1 summarizes the basic characteristics of the Census and BLS data).

Let's start with basic information on the number of early childhood providers. The Census will tell you that there were 677,000 of us in 1984. You'll immediately question this number. And rightly so. The National Day Care Study (Divine-Hawkins, 1981) counted 1.8 million family day care homes, with one provider each, almost 10 years ago. Add to this our own 1985 count of 67,000 child care centers (NAEYC, 1986), each of which employs multiple staff, and you are well above the 677,000 figure from Census.

Well, you are told, there were an additional 383,000 child care workers who worked in private households. That helps, but your total is still well below what other sources would lead you to believe. Maybe you should add the 330,000 individuals classified as "Prekindergarten and Kindergarten Teachers," as differentiated from "Child Care Workers." That brings your grand total to 1,393,000 early childhood teachers in 1984, which still falls short of the 1.8 million partial count in 1977.

Moving on to salary information, the situation seems to improve—at first. You learn that the median annual earnings of full-time child care workers was $9,204 in 1984, unless they worked in a private household, in which case they earned $4,420. This compares to the poverty level of $10,610. So, the Census agrees

Diane M. Ward

Stereotypes of child care staff who "remove outer garments" and preschool staff who "instruct children in preparation for primary school" abound.

with the reports from salary surveys and with the experience of the field: Child care workers, as a whole, are not even earning poverty level wages.

Now that you have some interesting data, you call the Bureau of Labor Statistics (BLS) to confirm the numbers. You learn that individuals working in "child day care services" earned an average $5.04 per hour in 1985. But the Census told you that child care workers earned $3.22 per hour in 1980. It's hard to believe that the earnings of child care workers could increase so quickly.

You decide to ask about job turnover. First they ask if you want separation rates or transfers or both. Given what you learned from your efforts to get a total count of child care workers, you ask for both, rather than try to figure out the difference between separations and transfers. The answer is astounding: Child care workers have the highest rates of turnover of all occupations. Between 1980 and 1990, 42% of all child care workers will need to be replaced each year, just to maintain the current supply of child care providers. You knew things were bad from the salary surveys that showed turnover rates between 15% and 30%. Now the federal government has added 12% to this. Why are these numbers different? Which numbers should you believe?

To summarize what you have learned so far, the Census count shows that there are about 1.4 million child care workers nationwide, even though this doesn't even account for all of the family day care providers 10 years ago. You also know that people working in child care earned either $3.22 per hour in 1980 or $5.04 per hour in 1985, but they probably didn't earn both. And, you know that turnover rates are very high, maybe 15% or maybe 42%.

Tackling the definitions

As you ponder these numbers, you begin to wonder if the problem lies with how the Census and the Bureau of Labor Statistics define early childhood professionals. The Census provides numbers of child care workers from three different categories: (1) Child Care Worker, Private Household, (2) Child Care

Worker, Except Private Household, and (3) Teacher, Prekindergarten and Kindergarten. That's a start. Now all you have to do is figure out who fits where.

Child Care Worker, Private Household includes any individual who provides child care in a private home, either the child's home or the provider's home. That sounds like in-home providers and family day care providers. But, it also includes part-time babysitters.

Child Care Worker, Except Private Household would appear to include everyone else. But, there's a third category: *Teacher, Prekindergarten and Kindergarten.* How does this differ from Child Care Workers who work outside of private households? Child Care Workers, Except Private Household work in out-of-home child care settings such as centers, nursery schools, preschools, and child development programs. Teachers, Prekindergarten (which cannot be counted separate from Teachers, Kindergarten) also work in preschools, day care centers, and child development programs. Where's the distinction?

You really have to dig for the answer. An arcane volume called the *Dictionary of Occupational Titles* (nicknamed the DOT) lists specific job descriptions for the occupational categories used by the Census and the BLS (U.S. Bureau of Labor Statistics, 1977). The answer revealed by the DOT is reminiscent of the worst stereotypes that create artificial distinctions between caring and learning, and place child care several notches below teaching on the status continuum.

According to the DOT, Child Care Workers "read aloud," "organize activities of prekindergarten children," "teach children in simple painting, drawing, and songs," "direct children in eating, resting, and toileting," "maintain discipline," and "help children to remove outer garments." Prekindergarten Teachers "plan group activities to stimulate learning," "instruct children in activities designed to promote social, physical and intellectual growth," and "prepare children for primary school." The use of the term "instruct" is restricted to preschool teachers, and descriptions of nonacademic responsibilities are reserved for child care workers.

This is not only aggravating and inaccurate, it also poses serious problems for our efforts to obtain a statistical profile of early childhood professionals. Specifically, foster parents and grandparents, lunchroom and playground monitors in elementary and secondary schools, attendants in residential institutions, and school bus attendants are counted under "Child Care Worker, Except Private Household." There is no way to separate these workers from individuals we would define as early childhood teachers.

Perhaps the Bureau of Labor Statistics can improve on this situation. Alas, not only does the same distinction between caring and teaching exist, but the BLS places all Child Care Workers in a category that includes staff of residential institutions and schools for the handicapped.

If you think this is confusing and illogical, try asking about resource and referral professionals. They may be categorized as a Child Care Worker or maybe as a Social Service Technician by the Census, or as a Social Worker by the BLS. Professionals who work with abused children in respite care programs may fall under Social Welfare Service Aid (BLS) or just Welfare Service Aid (Census). Finally, directors of early education programs theoretically fall under Education Administrator in both the Census and BLS systems. This merges them with university deans, principals, directors of education in prisons, and directors of university admissions, among others.

Where does this leave us? We know that preschool teachers and child care workers may be the same people who simply choose to describe themselves differently. In the information available, sterotypes of child care staff who "remove outer garments" and preschool staff who "instruct children in preparation for primary school" abound. Kindergarten teachers cannot be separated from prekindergarten teachers, and early childhood directors cannot be separated from university presidents. Family day care providers and resource and referral staff can fall almost anywhere.

Beyond data and definitions

Maybe there is a clue in the salary data that will solve this puzzle. The Bureau of Labor Statistics mentioned "Child Day Care Services." Could this be the missing link?

The answer to this question calls attention to several important distinctions between data collected by the Census and that collected by the Bureau of Labor Statistics. Unfortunately, it also makes the picture even more complicated.

The U.S. Bureau of the Census collects all of its data from individuals, or "households" in the language of the Census. People report their own living arrangements, occupations, earnings, child care arrangements, and so on. The Bureau of Labor Statistics collects information from employers, or business "establishments." For example, the BLS asks employers what they pay their employees, whereas the

Table 1

Summary of information from the Bureau of the Census and Bureau of Labor Statistics

	Census	BLS
Information sources	Households/individuals	Work establishments State employment agencies
Definitions	*Child Care Workers, Private Household:* In-home and family day care providers.	*Child Care Workers:* provide child care in centers, nursery schools, work sites, residential institutions, and schools for the handicapped. Also includes babysitters.
	Child Care Workers, Except Private Household: provide child care in out-of-home settings, including foster parents, lunchroom & playroom monitors, schoolbus attendants.	*Teacher, Preschool and Kindergarten:* provide educational services in a nursery school, preschool, kindergarten, or other group setting defined as a school.
	Teachers, Prekindergarten and Kindergarten: provide educational services in a nursery school, preschool, kindergarten, or other group setting defined as a school.	
Major surveys	*Decennial Census:* survey of all U.S. households; every 10 years.	*Current Employment Survey:* monthly survey of payroll records from sampling of businesses.
	Current Population Survey: monthly survey of sampling of 60,000 households; core questions asked every month & supplemental questions added in certain months (e.g., June 1982—child care arrangements).	*Occupation and Employment Survey:* mail survey conducted by state employment offices of nonfarm businesses, on a 3-year cycle.
Other characteristics	All self-report data of principal occupation; includes only individuals with earnings.	No self-employed or private household workers, or workers without earnings included.

Census collects information from individuals on what they are paid.

This explains some of the discrepancies between BLS and Census data. Because the BLS goes to employers for its information, no data are collected on self-employed workers or unpaid family workers. This information comes only from the Census. Yet, the Census data also exclude workers without earnings. As a result, child care providers who are not paid or who exchange services in a cooperative fashion are not included in any national count of the early childhood work force. Also, the Census asks individuals to report only their principal occupation. As a result, private family day care and in-home providers are probably undercounted by the BLS and the Census. Moreover, individuals who split their work year between child care provision and a more established career or who provide very part-time child care in addition to another job, may not be recorded among the population of child care workers if they do not consider child care their primary occupation.

Finally, both the BLS and the Census collect information on the number of employees in various occupations, average hours of work, and average hourly and weekly earnings. However, the BLS reports this information by industry, characterized by the major project or activity of the work site, and the Census reports it by occupation, characterized by the training and responsibilities of a specific job. "Child Day Care Ser-

vices" is an industry classification, whereas "Child Care Worker" is an occupation code. Some people employed in Child Day Care Services are Child Care Workers and some are not. Some Child Care Workers are employed in Child Day Care Services and some are not.

Proposals for change

You are probably throwing up your hands and thinking, "What a mess!" You're right. Our major national statistical agencies demonstrate little understanding of the early childhood profession in the ways they collect and report employment data. Data from the Census and the Bureau of Labor Statistics are difficult to compare, creating mismatched pieces of information. The two agencies use different definitions; not widely different, but different enough to create tremendous confusion. And, not surprisingly, the information that emerges from this maze often makes no sense, given what we already know about the early childhood work force. Furthermore the portrait masks important distinctions within the work force with regard to type of service, job titles, and level of experience and responsibility.

We need a national profile of our profession to assess the extent of the problems that plague it, to formulate realistic goals, and to measure improvement. We need to examine the variables that influence the recruitment and maintenance of an adequately prepared child care work force. Clarification is necessary if those outside the child care community are to develop a realistic image of the field. We also need ready answers when parents, reporters, and policy makers ask us about ourselves.

Admittedly, defining the child care work force challenges even those most familiar with its intricacies. As we know from NAEYC's attempts to establish a consistent nomenclature within the field, assigning job titles which satisfy even a majority of the community's members is a Herculean task. And,

> It is more important than ever that information about the child care community accurately portray who we are rather than reflect and reinforce long held and damaging stereotypes.

because the field is growing and changing so quickly, it is difficult to track changing assumptions.

In many professions, government data are both supplemented and are enriched by data collected by professional or other organizations linked to a specific work force. Given the limited resources of both federal agencies and the early childhood community, it is perhaps most realistic to develop an agenda for change based on dual responsibility for the much needed information. Within the field, examining our practices and priorities will help us develop better vehicles for collecting information about ourselves. We must also commit ourselves to working with federal agencies to insure that the data collected will be accurate and useful. Following are some preliminary recommendations which address communication between the field and government agencies, and suggest future agendas for improving data collection.

Review mechanisms

Efforts to influence the way information is collected must necessarily focus on the BLS and the Census since these are the only two sources of regular national data collection. We recommend that a review panel be established to guide these agencies' efforts to clarify their current data collection system. Panel members should include experts from the early childhood community, social demographers, labor force specialists, and survey researchers. The panel's central task should be to critique the current data collection system and to formulate more accurate categories and definitions.

Following a revision of the current system, an ongoing advisory committee of early childhood experts should be established to work with federal agencies. Its functions should include informing the agencies about significant changes in the field, assisting with the interpretation of data, and assuring that new information is disseminated to the early childhood field.

Pressing issues

A newly established review panel will immediately confront certain problems to address. We need:

1. *An accurate count of the number of child care providers.* This may be accomplished through the development of more accurate and consistent definitions of who provides care.

2. *Labels based on the field as it now is.* Whereas 20 years ago many people would have classified child care work as a noneducational service, this is no longer the case. Yet there is no explicit mention of educational activities in the occupational definitions of child care worker. Rather, those early childhood workers considered to be ed-

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ucators fall into the classification of preschool/kindergarten teacher. A major first step is to redefine the occupational categories into which child care professionals fall.

3. *Clarification of salary data based on 12 month versus 9 month positions.* Preschool and kindergarten teachers face tremendous distinctions with regard to their typical work year, as well as in their pay rate. The current coupling of this information makes much of the data about both groups of educators misleading.

4. *Job categories that reflect differences in education and experience.* Currently there is no way to distinguish between starting and career level salaries, nor to assess whether there is a logical relation between salaries, turnover, and the average education and experience of workers in a particular job category. Comparisons of different careers with varying salaries are also difficult to interpret without an understanding of the education and experience of their work forces.

5. *Data on enrollment in training programs and final job choices of students.* Without this information it is impossible to plan for the projected growth of the child care work force.

Research agenda

For many years the child care community has relied upon findings of the National Day Care Study (NDCS) to answer questions about both the quality of services and the characteristics of those who provide them. But the NDCS was conducted almost a decade ago. The time is ripe for a new, national study that examines growth in the field. It should examine major indicators of the health of the early childhood profession, such as recruitment and turnover. Additionally, data are needed on variables that affect these major indicators, such as wages, training, benefits, and hours of uncompensated work.

Within the child care community, national organizations like NAEYC and the new National Resource and Referral Association could coordinate discussion about the profession and the information we need. For example, efforts might be made to work with foundations to support research in this area and to develop consistent guidelines and resources for early childhood institutions such as resource and referral programs and NAEYC Affiliates, to assist their local information-gathering efforts.

Child care is fast becoming a major institution in the lives of American families. As a result there is growing concern and interest about in whose hands we are placing our children. It is more important than ever that information about the child care community accurately portray who we are rather than reflect and reinforce long held and damaging stereotypes. As we formulate efforts to upgrade status and advocate for more resources, accurate data will be a major ingredient in our reform efforts. We must be ready to answer essential questions about who we are. Only then will we be equipped to discuss who we want to become. YC

The authors would like to thank Martin O'Connell of the Census Bureau for his very helpful comments on this paper.

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Monthly Labor Review. Published monthly by the Bureau of Labor Statistics. Readable reports, charts, and articles on data collected by the BLS. Washington, D.C.: BLS ($24/year).

Census of the Population, 1980. Three reports are pertinent:

(1) *Detailed Population Characteristics, United States Summary.* Section A: United States. PC80-1-D1-A.

(2) *Earnings by Occupation and Education.* PC80-2-8B.

(3) *Occupation by Industry.* PC80-2-7C.

All available from the U.S. Government Printing Office, Washington, D.C.

Employment and Earnings. Monthly report issued by the Bureau of Labor Statistics summarizing establishment and household data on employment and unemployment by occupation and worker characteristics. January issue is an annual summary. Washington, D.C.: BLS ($31/year).

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U.S. Department of Labor

Office of the Secretary
Women's Bureau
Washington, D.C. 20210

Honorable Tom Lantos
Chairman, Employment and Housing Subcommittee
Committee on Government Operations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am pleased to enclose a response to the questions you and Representative DioGuardi submitted to us as follow-up to our testimony at your hearing on child care in San Carlos, California, on September 11, 1987. It was a privilege to participate in such an excellent and informative hearing.

Please let me know if further information is needed.

Sincerely,

SHIRLEY M. DENNIS
Director

Enclosure

Questions from the Honorable Tom Lantos

Question: In what ways should the 1985 law authorizing Federal agencies to provide space for employee child care be broadened?

Answer: The law has been satisfactory in permitting the allotment of space in Federal buildings under certain circumstances, and providing for a variety of services for the child care facility. Agencies that determine the need to implement such a program must also consider a number of other issues such as renovating the space to conform to State licensing standards, fire code and other regulations, and possibly acquiring suitable space when there has been a clear determination that an onsite or near-site child care center would affect employee recruitment, retention or morale.

The dozen Federal centers in agencies in the greater Washington, D.C. area have had demonstration grants, interest-free loans, and in the case of the Senate Child Care Center, a direct grant for this purpose. HUD, under PL 94-376(1976), and HHS--then HEW--under PL 94-482(1976) received Congressional authorization to establish, equip and operate Departmental centers on a reimbursable basis.

In this time of severe budgetary constraint, it is essential to explore the best and most cost-effective ways to support the intent of the law. As agencies gain more experience under the 1985 law there may be a basis for suggesting amendments at some future time.

Question: Is the Women's Bureau supporting a JTPA amendment to liberalize the use of JTPA support services funds?

Answer: The Women's Bureau does not support a JTPA amendment that would change the percent of JTPA funds States may use for the participant support category to which supportive services are charged. Available data indicate that current law provides ample opportunity to provide appropriate child care. Nor is there evidence that a law change would result in more JTPA funds being allocated to child care or other participant services. For Program Year (PY) 1986, which ended in June 1987, service delivery areas (SDAs) spent less than 12 percent of their JTPA funds on participant support services under Title II-A compared to the 15 percent allowable under the Act. (The JTPA sets a 30 percent ceiling on administration and participant support. This provision is generally interpreted as imposing a 15 percent ceiling on participant support). Similarly, in PY 1984 and PY 1985, Title II-A participant support expenditures

were below the 15 percent ceiling at less than 12 percent for both program years. Moreover, few SDAs have requested the waiver the JTPA provides which permits SDAs to exceed the 15 percent participant support limitation.

While participant support expenditures vary across SDAs the above data suggests that the availability of funds, per se, is not a determining factor in local decisions about the use of JTPA for child care and other participant support. We do not believe that a legislative change to provide an incentive for increased local expenditures on participant support is justified.

Question: The enclosed article, "Who Are Child Care Workers?", co-authored by one of the witnesses at our hearing, raises urgent questions about definitions and data relating to child care workers. Most of the problems cited pertain to the Bureau of Labor Statistics (BLS) and the Census Bureau. In view of the Women's Bureau's reliance on these data sources, what steps are you taking to address this issue?

Answer: Thank you for bringing the article to our attention. The Women's Bureau welcomes such thoughtful comments by the public on issues of concern to women. Child care has been at the forefront of our agenda for some years and we have participated in several activities directly with both the BLS and the Bureau of the Census as well as in pertinent interagency technical groups led by the Office of Management and Budget (OMB) to clarify and delineate industries and occupations. When we know of specific concerns of women, we have been able to facilitate their inclusion in the deliberations. Child care is a burgeoning and evolving industry and the jobs being performed and the kinds of establishments providing the services also are evolving. Therefore, definition and classification of related industries and occupations and data gathering activities also are in flux.

The Women's Bureau actions regarding occupations and industries related to child care have mainly involved participation in technical interagency committees which have defined and described what jobs were classified in the occupations. We have also encouraged and urged the collection and provision of additional information through the expansion of surveys to provide additional data about child care wherever possible. We have actively participated in the technical groups working on the Standard Occupational Classification (SOC) Manual and the reconciliation of that work with the 1980 Census occupational classification system. We have also

participated in reviewing the description of occupations concerning child care published in the Occupational Outlook Handbook.

There has been a concerted effort among agencies for some time to reconcile definitions of jobs and classifications of occupations and industries in order that the users would be assured comparability of terms. The data collections on the other hand are for different purposes related to the missions of the agencies and therefore the numbers may vary. Many job skills evaluation programs, however, including the Federal Civil Service, do use descriptions of volunteer work in assessing a work history. Many such programs use the Dictionary of Occupational Titles as a guide. The Women's Bureau has been a part of this ongoing dialogue as explained in the following summary.

The Standard Occupational Classification (SOC) Manual

Specifically, during the past several years, since the late 1970's, there have been several opportunities to standardize definitions related to occupations and groups of occupations across data bases. The Women's Bureau participated in two related major projects: The first was the revision of the Standard Occupational Classification Manual (SOC), led by OMB. The revision was completed and published in 1980. That classification system was designed for use in any statistical analysis and presentation of data about occupations. It was used in the planning for the 1980 Census and was intended to reorganize and reconcile the two main systems of occupational classification of the Census and the U.S. Employment Service. Child care workers were classified specifically under code 231 as Prekindergarten and kindergarten teachers, under code 506 as child care workers, private household, and under code 5246 as child care workers, except private household. Thus, the occupations were delineated in both the education (professional) and service industries. As with all the following major projects during the development of the classification, the project consulted with experts in government, education, labor, business and professional organizations.

Reconciling the SOC with the 1980 Census

The Women's Bureau was an active participant in a special interagency technical working group that reconciled the SOC classifications with the classifications for the 1980 Census. The same three child care classifications mentioned above were coded for the 1980 Census and data were published separately

for each of the three groups where the level of available information was sufficient. According to the Census, planning for the 1990 Census does not include major revisions to the organizations of the occupations, but new job titles may be added.

The Current Population Survey (CPS)

The same SOC-compatible classification and organization scheme used in the Census was adopted by the BLS for use in the Current Population Survey (CPS), which is collected monthly from a representative sample of some 60,000 households primarily to obtain the employment and unemployment status of workers. Thus, employment statistics for the same three categories of child care workers have been compiled and published annually since 1983. Also, BLS has published annually the median weekly earnings for these same three occupations for all workers and for women and men separately.

The Dictionary of Occupational Titles (DOT)

The other major occupational classification system that was impacted by the 1980 revision of the SOC is the Dictionary of Occupational Titles. This is by far the most detailed system and lists many more specific jobs than are available from the published employment data. No statistics are compiled with the DOT, but its list of job titles is utilized in the Census work. As you may know, the process of revision and providing public input to the DOT revision is accessible generally. Provision has been made for anyone to comment on the addition or clarification of a job title through the submission of the Occupational Code Request form available at every Job Service Center operated by the Employment Service. Comments also can be made directly to the Employment Service headquarters in writing.

The Women's Bureau has worked with that agency on several aspects of the organization and classification scheme of this important system on issues of concern to women. We have informed them of the interest this committee has expressed in defining the new jobs that are emerging in the child care industry and have shared the article. The fourth edition supplement of the Dictionary of Occupational Titles for 1988, released earlier this year, included two new occupations related to child care: 1) Manager, regulated program (government service) which includes Child Care Program Supervisor and 2) Teacher, home therapy (social services) which incorporates child development specialist, development disability specialist, infant educator, and parent trainer. The second occupation

seems in particular to answer the needs of the authors Deborah Phillips and March Whitebook who were concerned with the educational aspects of infant care. The Women's Bureau has already requested that the child care industry be given a higher priority in the twelve year survey cycle for occupations for the next DOT revision.

The Standard Industrial Classification (SIC) Manual

With regard to the organization and classification of industries, there is one primary system, the Standard Industrial Classification Manual (SIC). The latest SIC revision for 1987 has just been released. The process of revision, led by OMB, extended over the past two and one-half years. It is the statistical classification standard underlying all establishment-based Federal economic statistics classified by industry and covers the entire field of economic activities. According to the chairman of the Services Revision Work Group, there were no comments received from industry experts or the general public on the issue of child care. While this first revision since 1972 resulted in a net addition of 19 industries in Services, of which child care is a part, the most clear-cut industry, 8351--Child Day Care Services, was not changed. Employment statistics for this four-digit industry group are published annually by the BLS based on the CPS (the household survey). Employment and wage statistics for this industry are also published annually by BLS based on the ES-202 program, a cooperative compilation of administrative data with the 50 State employment security agencies.

Other industry classifications in which child care establishments are included as a part are: 7299--Miscellaneous Personal Services, Not Elsewhere Classified that include babysitting bureaus; 8211--Elementary and Secondary Schools which include schools with kindergartens and Head Start programs; 8811--Private Households which covers those which employ babysitters in the home. Separate data for just the fraction of these industries related to child care are not yet available and publication depends on demonstration of sufficient numbers.

Occupational Employment Statistics Survey

The BLS also adopted SOC-compatible occupational categories for its Occupational Employment Statistics Survey. This survey provides employment data by occupation and industry. It has developed occupational employment estimates for child care workers by industry. These figures serve as the basis for the occupational projections in the Occupational Outlook Handbook.

Occupational Outlook Handbook

The Women's Bureau had the opportunity to participate in revising the section on Child Care Workers for the 1986-87 edition of the BLS Occupational Outlook Handbook. This was significant in highlighting skills and training required, and the increased earnings possible for workers who move beyond the conventional poorly paid entry level positions.

Status of Child Care Workers

The Women's Bureau, in its role as a clearinghouse on issues affecting working women, is very much concerned with the status of the child care industry and particularly, that of the child care workers. When public and private policy makers design training programs, we encourage assistance to low income child care workers seeking to earn a Child Development Associate (CDA) certificate. We keep alert to State and local initiatives to raise the skill level and pay of child care workers and share such information with our constituency through a variety of media.

Questions from the Honorable Joseph DioGuardi

Question: Has there been any movement to replicate COG's Child Care Advisory Committee?

Answer: The Metropolitan Council of Governments has sponsored an ongoing regional child care network for several years, composed of approximately 60 business representatives, social service agencies, child care advocacy groups, city and county personnel, and other employers. The monthly meetings held at COG feature issues on recruitment of providers, studies, and State and local policies. There is no national initiative along this line to our knowledge, but COG could be approached to develop a How-To manual of the model and other steps to implement the model and its employer outreach.

Question: Can you provide any statistics on how many children are estimated to be in "Latch-Key" situations across our country?

Answer: The estimates of the numbers of "Latch-key" children vary because the definition depends upon assumptions--about the ages when children are incapable of being unsupervised by an adult, about what self-care or supervision is, and the times when care is needed. The number varies, too because of the different data sources--their sampling units, their primary purposes, their questions, etc. "Latch-key" child is not a scientific term. Most data bases have no cells clearly labeled as such. Therefore, the estimates are derived from statistics gathered for other purposes. We estimate, however, that the total number of latch-key children ranges between a low of 1.5 million and a high of 3.0 million. Both Women's Bureau estimates are based on data from the Bureau of the Census. We point out, however, that other published estimates of this group of children have ranged as high as 7 million.

Current Population Survey Estimate:

On the one hand, we can define "Latch-Key" children as those of ages 5 to 13 who are enrolled in school and who lack any adult supervision in any of three separate time periods--before or after school or at night. In this instance the Women's Bureau referred to the most recent data published by the Bureau of the Census from the December 1984 Current Population Survey school-age child care supplement.

According to this source, there were an estimated total of 2,866,000 children between the ages of 5 and 13, inclusive, who were not supervised by a parent or any

other adult either before or after school or at night. These children represented about 10 percent (9.9%) of the total of 28,852,000 children of those ages. (See table attached.)

Survey of Income and Program Participation Estimate:

On the other hand, if we define "Latch-key" children as children under age 15 who care for themselves during normal school hours and during most of the hours their mothers work or who usually care for themselves after school hours, then there were an estimated total of 1,494,000 such children in the winter of 1984-85. According to the survey, this total includes 488,000 children under 15 who were primarily not in school and who were caring for themselves as their parent was at work and 1,006,000 who were primarily in school or other supervised care during the time their parents were working but who usually cared for themselves after school while their parents were at work. Together, these children represented 5.6 percent of the total of 26.5 million children under 15 whose mother (parent) was employed at the time of the survey. This estimate is limited to the first three children in a household; it is based upon the recent report released by the Bureau of the Census based on its Survey of Income and Program Participation in May 1987, "Who's Minding the Kids? Child Care Arrangements: Winter 1984-85," Household Economic Studies Series, P-70, No. 9.

Question: Can the WB undertake a clearinghouse to provide technical assistance to persons sponsoring day care initiatives?

Answer: The Women's Bureau is currently developing a computer-based clearinghouse that will contain dependent care information with respect to model employer-sponsored programs and general reference sources that will assist persons planning to implement or enhance programs not only for children but also the elderly. We currently are working with a group of experts to develop this "work and family clearinghouse." It will contain information on alternative work schedules and flexible benefit plans in addition to dependent care. Our plans call for the initial operation of the clearinghouse to begin in the Spring of 1988.

This electronic data base will augment clearinghouse activities that are well established in the Women's Bureau. For more than twenty (20) years the Women's Bureau has answered inquiries on employment-related child care that have ranged from requests for data on working parents to technical information on how to

institute an on-site child care center. These inquiries have come from varied sources including Congressional staff, employment and training organizations, personnel managers, women's advocate groups and students. In addition, our publications and a videotape on employer-sponsored child care are widely disseminated without charge for use at workshops, in developing reports and conducting research and in implementing projects and programs.

Estimated Number of School-Age "Latch-Key" Children Ages 5 to 13 Years Old, by Period of the Day, Type of Household, and Labor Force Status of Mother: December 1984

(Numbers in thousands)

Type of households and labor force status of mother	All children, 5-13	No adult supervision		
		Before school	After school	At night
NUMBER				
All Children				
All households	28,852	552	2,065	249
Married-couple household	21,979	350	1,499	172
Household maintained by a woman	5,935	172	481	68
Mother employed full time				
All households	10,559	434	1,424	102
Married-couple household	7,936	280	1,029	63
Household maintained by a woman	2,480	147	369	41
PERCENT				
All Children				
All households	100.0	1.9	7.2	0.9
Married-couple household	100.0	1.6	6.8	0.8
Household maintained by a woman	100.0	2.9	8.1	1.1
Mother employed full time				
All households	100.0	4.1	13.5	1.0
Married-couple household	100.0	3.5	13.0	0.8
Household maintained by a woman	100.0	5.9	14.9	1.7

Source: U.S. Bureau of the Census, Current Population Reports, Series P-23, No. 149, "After-School Care of School-age Children: December 1984."

Mr. LANTOS. Our next panel is Mr. Art Pulaski, executive secretary of the San Mateo County Central Labor Council; Mr. Paul Proett of Apple Computer; Mr. Robert Cervantes, director of child development division, State department of education; Ms. Charlie May Knight, superintendent, Ravenswood City School District.

We are delighted to have all four of you. Your written statements will be entered into the record in their entirety. We will very much appreciate it if you summarize your remarks as concisely as is possible, so we may get through with this very heavy agenda at a reasonable hour.

We will begin with you, Mr. Pulaski.

STATEMENT OF ART PULASKI, EXECUTIVE SECRETARY, SAN MATEO COUNTY CENTRAL LABOR COUNCIL

Mr. PULASKI. Thank you, Mr. Chairman, members of the committee.

The San Mateo Labor Council, our Airport-Labor Coalition, and the Child Care Coordinating Council, known as 4C, have, over the past 5 years, concentrated on the child care needs of the largest work force in the county. There are, as in Congress, over 31,000 employees at San Francisco Airport.

The work force there has a number of extraordinary needs documented by a study conducted by the 4C's in 1982. These needs represent an interesting cross section of the range of services that child care will need to provide in the future.

I would like to give you a couple of examples of that. As the chairman eloquently summarized in his opening statement, one is the sociology of work and families in terms of now two wage-earner parents or single parents and, at our airport, in particular, the full range of wages from low to higher wages. The lower wages, in fact, are especially prevalent among the younger workers, those, in fact, most in need of child care.

Some workers, such as flight attendants, work extended periods; therefore, we have a dramatic need for overnight care of children. Additionally, changing work schedules and overtime demand flexible child care programs.

The mildly sick child requires care in some kind of isolated way to minimize the spread of illness to other children but also to allow the parents to go to work.

These are growing needs that are largely unmet by existing overcrowded, overworked, overloaded resources.

Comprehensive programs are important. Ours will include a center operating 24 hours a day 365 days per year, coordinated with a home care network. That is a network of satellite homes around the airport area providing those additional services.

By the way, we are also committed to the concept of quality child care. Among the means of doing that is paying child care providers decent wages, which, unfortunately, is not the case at the present time. A concept of this kind is quite costly. To succeed, we have expanded our partnership beyond labor and the 4C's and include foundation and United Way support and, additionally, our venture has become a public and private one.

Included is the San Francisco Airport's commission and the county board of supervisors. Through the board of supervisors, by the way, we have received some HUD funding.

We are also now building participation of private employers at the airport. Our new center will open in 1988.

During these 5 years of work, we have learned a number of things, and I would like to summarize by simply echoing the words of the supervisors who spoke a few minutes earlier concerning the emphasis on the public and private participation.

We are an example of a private sector involvement. However, we could not succeed without active participation and support of the public sector. Contrary to the Reagan theme of privatization, I feel compelled to say a word of emphasis that this kind of support is both a valid and important role of government.

I would also like to recognize Terry Mullen, who is with us today, who is the chairperson of our committee, and a committed active volunteer as well as Sandy Boland, who is the coordinator of our project.

4C's, the Child Care Coordinating Council, without whose commitment and expertise, we and many others like us simply would not be able to make progress that we have.

Finally, I would like to recognize a number of other union programs who are responsive to this new need of workers and their families. One example is the APWU, the Postal Workers Union, who recently set up a task force, joint venture, with labor management to explore solutions to the child care needs at the post office. Many other unions, too, as I said earlier, are involved in similar ventures.

Finally, Mr. Chairman, thank you very much for your active involvement and support for this and similar issues of concern to our community. It has been terrific.

[The prepared statement of Mr. Pulaski follows:]

S T A T E M E N T

of

San Mateo County Central Labor Council

---Art Pulaski

INTRODUCTION

A child care survey of workers at San Francisco International Airport (SFIA) was an idea conceived by the San Francisco Airport Labor Coalition, an organization of labor unions which represent a majority of airport workers. The airport is a worksite with some 30,000 workers operating 24 hours a day. Many workers have schedules which change frequently and require them to be away over a 24 hour period, specifically flight attendants and pilots. Hundreds of other workers have child care needs which cannot effectively be met using existing community resources. Nearly all child care programs in the Bay Area operate to serve parents who work "traditional" hours - Monday through Friday, 7:00 a.m. to 6:00 p.m.

The San Francisco Airport Labor Coalition has been in existence nearly six years. It is sponsored by the San Mateo County Central Labor Council, AFL-CIO. The Coalition is made up of some 50 labor unions that have members who work at or in direct relation to the San Francisco International Airport. Included are airline, public employee, airport concession, construction, airline subcontractors and ground transportation unions. The Coalition includes virtually all of the major employee organizations at SFIA. The purpose of the San Francisco Airport Labor Coalition, broadly stated, is to advance and protect the interests of the people who work at SFIA.

The main purpose of 4C, a private non-profit corporation and United Way Agency, is to coordinate and develop resources in an effort to expand quality child care throughout San Mateo County.

At the request of the San Francisco Airport Labor Coalition (SFALC), The Child Care Coordinating Council of San Mateo County, Inc. (4C), conducted a survey in late 1982 documenting San Francisco International Airport (SFIA) employees' child care needs. The results of the survey were utilized for designing and implementing a Child Care Plan for SFIA.

Although initial research and planning for a child care program at SFIA (which the child care needs assessment represents), was begun prior to San Francisco Foundation funding, the "Parents in the Workforce" project, during the course of its 3, one year grants from the Foundation, has subsequently been working with a SFALC Child Care Committee, resulting in a recommendation and plan of action for implementing a SFIA child care program.

II. STATEMENT OF NEED

Due to the fact that SFIA is a seven-day a week, 24 hours a day worksite, many of the approximately 30,000 employees have work schedules which can change frequently, or require them to be away from home over a 24 hour or longer period. Because nearly all child care programs in the San Francisco Bay Area operate to serve parents who work traditional "9 to 5" Monday through Friday hours, many SFIA employee-parents have child care needs which cannot be effectively met using existing community resources.

The findings of the survey indicated that the child care needs of airport workers are unique, particularly with respect to irregular schedules, evening, weekend and infant child care situations.

The additional finding of the number of parents caring for their children who become ill, and the reported amount of workdays (and related costs) lost due to child care related problems further illustrate the need for some type of action.

Summarizing the findings of the survey, these factors are the most indicative of the need for a child care program of SFIA:

- Many employee-parents, particularly flight attendants, have unmet, or at best, minimally met needs for irregular types of child care.

- The hours that care is available is the most important factor in choosing child care for most working parents at SFIA.

- The majority of parents surveyed have infant child care needs, and this trend is projected to continue.

- When a child of an airport employee is ill, the airport employer experiences unnecessary and excessive lost work hours and wages.

- Most parents responding to the SFIA employee child care needs assessment survey have sufficient income to afford prevailing community child care rates, yet there are a substantial number of

airport worker/parents who are single parents and/or have lower incomes for whom adequate child care is not affordable.

- There is overwhelming support and high utilization potential for a child care center or program at or near SFIA, based on employer response.

A funded development project, lasting approximately six months, undertaken jointly by the SFALC and 4C, is necessary in order to meet the child care needs expressed in the SFIA child care survey, and to establish a child care program at the airport.

Such a program would tentatively involve the following components:

1) An on or near site child care center, serving between 150-300 children, ages 6 weeks to 6 years. This center would be available from 18-24 hours-a-day, seven days a week.

2) And Family Day Care Home Satellite, composed of approximately 5 to 8 homes to be available in the residential city areas immediately adjacent SFIA. These homes would be available to employees who need overnight child care, or who prefer a smaller group setting for their child.

This comprehensive program would be developed by 4C in concert with a new non-profit corporation (the Board of Directors to include parents and specialists) and the Airport Labor Coalition. The child care center operating costs would be covered by parent fees, based on a

sliding scale according to family income; income generated from SFIA employers; and fundraising from sources such as United Way, private foundations, corporations and parent-sponsored events.

The first step involved in initiating such a complex, comprehensive child care plan would be securing a full-time, experienced child care program specialist to coordinate and implement various developmental and start-up activities. If available, this same person might continue as Director of the Child Care Center.

Three separate phases are planned: Development, start-up and operations. There will be some overlap. Simultaneously, the following activities must occur:

DEVELOPMENT PHASE:

- determine start-up costs;
- obtain site which is affordable, readily licenseable and located where airport workers can access it;
- obtain a child care license and necessary permits for the site (prepare licensing materials, oversee minor repairs/renovations, obtain fire and health clearances, conduct on-site inspections and monitor progress);
- working with City or County planning departments when appropriate
- design a program in regard to space, equipment and staffing;
- order, obtain and organize equipment according to plan;

RECOMMENDATIONS

A funded development project ([redacted]), undertaken jointly by San Francisco Airport Labor Coalition and 4C of San Mateo County, is necessary in order to meet the child care needs expressed in the Airport Child Care Survey and to establish child care at the airport. A full-time, experienced staff person will be needed to coordinate and carry out the work required in such a complex workplace.

Simultaneously, the following activities must occur:

- establish an advisory committee including parents;
- locate suitable child care center space at the airport;
- proceed with leases and licensing;
- determine costs of and income sources for airport child care;
- establish a fee schedule;
- contact union leaders, employers and potential funders for support for start-up costs, operating costs and/or scholarships for low-income parents;
- determine child care options for families who cannot use an on-site center;
- determine personnel policies which will resolve child care issues such as care of children when they are sick.

Start-Up:

complete licensing process, including equipment
recruit and hire staff
work with Board of Directors/Advisory Committee
enroll children
establish food service
oversee budget

Mr. LANTOS. Thank you very much, Mr. Pulaski.

I am delighted to hear that you recognize that the airport does represent a unique problem because of its 24-hour operation and the very unpredictable schedule of large numbers of the employees involved with air transportation.

So, I think you are really blazing a very exciting and comprehensive new trail and whatever help we can offer, we will be delighted to do so.

Charlie May Knight has been a leader in many, many facets of our community life. As the superintendent of Ravenswood Schools, she has given particularly effective leadership in this field. We are delighted to have you and look forward to hearing from you.

STATEMENT OF DR. CHARLIE M. KNIGHT, SUPERINTENDENT, RAVENSWOOD CITY SCHOOL DISTRICT

Dr. KNIGHT. Thank you, Congressman Lantos, members of this distinguished panel.

It is my pleasure to testify on child care.

This is the first week of school in Ravenswood. Already, our teachers and administrators have begun dealing with the problems resulting from inadequate and inadequately funded day care and child development programs.

On Tuesday, a committee of business executives published a study which predicts a tremendous labor shortage in the United States within the next 20 years because of young people inadequately prepared to participate in the labor force.

As you know, this study demonstrated the cost effectiveness of early intervention, even as early as the prenatal stage of development. Your committee, of course, did not need this finding. Neither do you need me to recount the difficulties these children face as they struggle to succeed in school. Nor do you need figures on long-term costs of our pennypinching intervention and later remedial programs.

You need only look to data collected by the House Select Committee on Children, Youth, and Families, some of this data is summarized in the September 6 issue of the New York Times.

Findings. One dollar spent on food for pregnant women can save $3 in short-term hospital costs. One dollar for prenatal care saves $3.38 in the cost of care for low birthweight infants. One dollar spent on preschool education can save $4.75 in later social costs.

Who are the people most injured? The most injured group is that group of struggling single women parents and their children. They are often referred to as the working poor. These young women we serve usually work as clerks and secretaries. They live in a very high cost part of the State and country. Without our program, their infants often receive inconsistent or inadequate care. The inconsistent care often pushes the young women out of the work force and back on to welfare.

Even if the mothers do not lose their jobs, the children suffer and we spend extra resources to compensate for that care.

Programs such as greater access to independence (GAIN), ironically, seem to increase frustration. Once trained for minimum wage jobs under GAIN, the mother is left to pay her own child care

costs. The average cost of child care in the low-income area like East Palo Alto will run in the program subsidized by the State department of education $15 a week for full costs. For extended day care, $12 a week. Private sector child care for full costs is $63 a week. Extended a day care in the private sector in East Palo Alto will cost $33 a week.

The problems we face are exacerbated by the frustration of limited resources—as you know, the State department of education was unable to provide a COLA for our child development program. We intended—we thought that or we were promised that we would receive a 4-percent COLA for the general fund. With that money, I could have exercised some latitude and made child care one of my priorities. However, we found later, just before we were completing our budget, that that 4 percent had been cut to 2½ percent.

The lottery money that was promised was reduced immeasurably. We are left in a city that is very poor, it happens to be located in one of the richest counties in the State of California, over 18,000 citizens. The city is strapped for money, the school district is operating comfortably but has absolutely no frills, but we are so concerned about the health and safety of our children that I asked the board for a special session, not to illuminate the problems inherent in growing up as a child in East Palo Alto, but to look for solutions to the problem.

I asked the board if they would make child care a priority, which would give me some latitude to cut in areas that were once considered priorities. The board, during its August meeting, gave me the responsibility of designing an affordable child care program for extended youngsters. They did this because of the problems facing the youngsters in East Palo Alto.

As you know, we have the highest number of children in what they refer to as board and care homes. Often, these people will loiter around the schools and around the homes because of lack of activities. We seem to be the dumping ground for youngsters who are referred by the courts and these youngsters wander around aimlessly and so, the youngsters, when they leave school, have to pass through neighborhoods that are unsafe. These are the latchkey children.

We have decided to take care of the health and safety of those youngsters by tightening our belts and offering day care services through extended enrichment programs in as many schools as we can afford to establish these programs. We have started with the program at the McNair School. This program will provide extended day care services for youngsters starting at 7 a.m. in the morning until 6 in the afternoon for a cost of $12 per week per family.

This is extremely cheap. The only way we can afford to do this is to borrow some money from the lottery, infringe upon foundations that have already been extremely generous to us, especially the Raychem, Packard and Peninsula Community Foundations.

This program is uniquely designed for the working parent. Parents who work, when they come home do not have the time or the energy to assist youngsters with homework. Our program will assist youngsters in completing their homework so that when they arrive home, the parents will only have to review the work with the children.

We also will be providing classes for parents whose children are included in that program. Currently, we are serving 50 such youngsters. These youngsters—there are 50 others on a waiting list. We are hoping that somewhere there will be some funds that will be given to school districts that would allow us some discretion and without the problems of the many guidelines; and funds that we can depend on from year to year.

Currently, in all due respect to the State department of education, and I know they do try, but it is very, very disappointing and it is very difficult to plan a program when you are given one allocation in May and in June, just before the budget deadline, we receive another amount of money that often results in cutting something out.

We hope that this committee will look favorably on low-income communities with our special problems and our special needs.

Thank you very much for listening to me.

[The prepared statement of Dr. Knight follows:]

Dr. Charlie M. Knight, Testimony before the Employment and Housing Subcommittee of the House of Representatives--September 11, 1987.

INTRODUCTION

On a typical day, Agnes Rodgers wakes herself up at 5:30. It has been an average night, the baby had awaken once. Still tired, she washes, irons a dress, and begins to wake her four children. While the older ones help with breakfast, Agnes gets her eight month old daughter, Tammy ready for a day at the Center: changing her diaper, dressing her, packing a change of clothes, and feeding her. Tammy is groggy from sleep, but in a good mood as her mother pulls the baby's right arm out of her sleeper and tickles her belly. Time is passing and Agnes must rush as she breaks up an argument between her other two daughters. By 6:50 Agnes has packed Tammy in her car seat, tells her three and four year-olds to buckle up and waves goodby to seven-year-old Aaron. She hopes her car will start. At 7:05 she drops the three children off at the Child Development Center. Three-year-old Jane whimpers a little and the baby cries as Agnes passes her to the teacher. Agnes watches for a minute until the baby begins to settle down, then leaves to enter crowded 101 on the way to her job in Burlingame. She barely makes it by 8 A.M. and is tired already. Because she is a good typist, her supervisor has been tolerant of her frequent tardiness when she can't keep to her tight schedule.

Because she feels guilty about leaving her baby, during the day she calls the Center three times to be sure Tammy is alright. At five o'clock the pattern is reversed. It is a rush to get to the Center before its 6 P.M. closing time. By the time dinner and dishes are finished, so is Agnes. Exhausted, she crawls into bed at 10:30. There is little relief in this high-pressure existence, and because of her age she is least able to cope with it.

Agnes (fictitious name), a 25 year old single parent, is one of the lucky fifteen parents from East Palo Alto served by the infant program. She can depend on the staff's always being there, and feels her daughter is safe and well cared for by professionals. Like other mothers, she has a great deal of difficulty paying the nominal weekly fees for each of her daughters. On more than one occasion she as told the Center's Director that another pressing bill is going unpaid so that she can maintain her childcare. Turnover at the Center is very low. One mother, who had scrambled to get in a late payment, said she had to keep her child in the program. There was no where else.

ALTERNATIVES FOR WORKING WOMEN, INFANT CARE

The East Palo Alto, East Menlo Park section of San Mateo County is one of the most impoverished in Northern California.

East Palo Alto, which has about one percent of the County's acreage, accounts for more than one-third of its AFDC recipients. Most of the remaining residents are among the working poor. It is these people who are most hurt by the paucity of affordable childcare. If a parent can not get her infant into the Ravenswood Program, she has three options: she can obtain care at an institutional center, a family day care center, or through a relative or friend. Monthly costs for parents presently using the Ravenswood Center range by income from $0.00 to approximately $105.00. Average costs for other institutions in San Mateo County range from $500 to $650 per month. Costs for Family Day Care range from $350 to $500.

Affordability for Parents

Of the fifteen families using the Center today, ten have gross incomes too low to be required to pay a fee at all. This means that a family of five earns less than $1500 per month. (Take-home pay is close $1200). Housing in East Palo Alto easily consumes $400 to $500. This leaves about eight hundred dollars for food, auto costs, clothes and day care. It is impossible for these families to pay $350 or more for either family or institutional care for one child. Their only alternative is care by relatives.

Quality of Care

Each of the three settings has advantages and disadvantages. Institutional care is the most reliable. It's staff is trained. It offers activities designed to help the child explore her world. It provides diapers, food, and other necessities for the child. It has the resources to provide training for these young mothers in parenting, hygiene, toilet training and dealing with the stress faced by single parents. Lastly, regulations and supervision assure health and safety protection for children. On the other hand, the institutional setting is not an intimate, homey setting.

Family day care, with its smaller numbers and place of care can avoid the disadvantages of institutional care and offers some of the regulatory protection. Affordability and staff training are its biggest potential problems.

Care by relatives offers the potential for both the best and worst. At its best, the care is the warm nurturing of an extended family in a home setting. The adults and other children are familiar and comfortable. For these young mothers, however, reality differs sharply from this vision. Data indicates that for working poor young mothers care by relatives is usually unavailable or unreliable. It is not uncommon for the relative to take extended vacations or to be unavailable to care on short notice. This lack of reliability results in high absenteeism from work. The high absenteeism in turn hurts both advancement and job maintenance. The care itself varies. Too often it is long hours in front of a television with little physical stimulation. Lastly, even the low cost of this care can be

prohibitive. Just the cost of diapers and canned baby food can break one of these women's /meager budgets.

Because non-subsidized, quality care is so expensive, struggling single parents are often forced to quit their jobs and go on welfare. While school districts know this, few apply to the state for infant care programs.

PROBLEMS FOR THE INSTITUTION

Ravenswood City School District is the only public agency in the City of East Palo Alto which offers care for infants and toddlers. The district is paid $18.75 per day per infant. (This amount includes whatever fee parents pay with the state making up the balance.) It staffs its center with an adult-child ratio of 3:1. Few other districts or public agencies in the state offer infant care because the $18.75 fee is insufficient to cover the costs of operation. These costs include staff salaries, diapers and laundry, utilities, food, etc. Due to the low fee, the district is unable to pay the kind of salary necessary to attract well trained staff in one of the most expensive-to-live-in areas of the nation. Ravenswood provides its own training. The director struggles to balance the budget for its three programs which serve fifteen infants, 170 pre-schoolers and 58 kindergartners.

The problem is simple: inadequate funding. Legislators fail to appreciate that a school district can not afford to provide care for less than the amounts charged by private, less regulated providers. The result is that single mothers are forced off the tax roles and onto AFDC.

Workfare programs such as GAIN, in the long term provide young women with yet another failing experience. They train women in low-paying jobs, providing child care during the training and for three months afterward. None of these women will be able to afford full-fee childcare after that period. There are not adequate spaces in public centers, and public centers are so inadequately funded they are hesitant to expand. Thus programs like GAIN can expect to be revolving doors leading to increasing frustration for women.

INFANT AND CHILD CARE, MORE THAN BABYSITTING

Above, I have outlined some of the issues in infant care from the working mother's perspective. From the child's perspective the situation is equally bleak. From the funding levels it is clear that the legislation has focused on simple custodial care rather than on child development. Schools serving the poor have seen the effects mere custodial care have on school-age children. At one of our schools, nearly one-half of all children are cared for by their extended families - often grandparents who have lost interest in spending their days

carefully nurturing infants and young children. These children enter school without the common base of developmental experiences they need to thrive in the classroom. Their often frantic mothers, inexperienced and immature themselves, find it easy to fall into a self-reinforcing cycle of disciplining rather than nurturing now older children who cannot cope with the school environment.

Federal Programs such as Head Start have been systematically starved for funds while concurrently being wrapped in red-tape. The state's childcare programs have been denied even a cost of living increase this year. The funding pressure exacerbates the problem we already have as we attempt to provide children quality experiences from trained, interested staff. The result is that even publicly funded day care programs send ill-prepared children to elementary schools. We then spend extra funds in an often futile attempt to make up for what we failed to provide when children needed it. The legislatures have continued to set the stage for continuing failure for the poor, especially the working poor in the U.S.

RECOMMENDATION

My recommendation is simple: recognize the long term costs of inadequate care for the young in the United States. Recognize that a relatively modest investment in early care and nurturing for infants and young children can save society an enormous cost later, and can give the children of the working poor a chance at the American Dream.

Mr. LANTOS. Well, I am very glad I listened to you and I am very glad everybody listened to you.

Let me just say, Dr. Knight, that I always read very carefully the testimony submitted to the subcommittee before a hearing, and all of the testimony I received was outstanding. The one you submitted gripped me. I read it. I read it over. I showed it to my wife. She read it over. We have talked a great deal about it, and while I make a plea to everyone to cut down on their remarks, I am going to take this opportunity to read a paragraph from your submission, which I believe should be heard not only on the peninsula but across this Nation.

This is what you said:

> On a typical day, Agnes Rogers wakes herself up at 5:30. It has been an average night. The baby had awakened once. Still tired, she washes, irons a dress, and begins to wake her four children. While the older ones help with breakfast, Agnes gets her eight-month-old daughter, Tammy, ready for a day at the center, changing her diaper, dressing her, packing a change of clothes, and feeding her.
>
> Tammy is groggy from sleep, but in a good mood as her mother pulls the baby's right arm out of her sleeper and tickles her belly. Time is passing and Agnes must rush as she breaks up an argument between her other two daughters. By 6:50, Agnes has packed Tammy in her car seat, tells her three- and four-year olds to buckle up and wave good-bye to seven-year-old Aaron. She hopes her car will start.
>
> At 7:05, she drops the three children off at the child development center. Three-year old Jane whimpers a little and the baby cries as Agnes passed her to the teacher. Agnes watches her a minute until the baby begins to settle down. Then leaves to enter crowded 101 on the way to her job in Burlingame. She barely makes it by 8 a.m. and is tired already.
>
> Because she is a good typist, her supervisor has been tolerant of her frequent tardiness when she can't keep to her tight schedule. Because she feels guilty about leaving her baby during the day, she calls the center three times to be sure that Tammy is all right.
>
> At 5 o'clock, the pattern is reversed. It is a rush to get to the center before its 6 p.m. closing time. By the time dinner and dishes are finished, so is Agnes. Exhausted, she crawls into bed at 10:30. There is little relief in this high pressure existence. Because of her age, she is least able to cope with it. Agnes is a fictitious name. A twenty-five-year-old single parent is one of the lucky fifteen parents from East Palo Alto served by the infant program. She can depend on the staff always being there and feels her daughter is safe and well cared for by professionals.
>
> Like other mothers, she has a great deal of difficulty paying the nominal weekly fees for each of her daughters. On more than one occasion, she has told the Center's Director that another pressing bill is going unpaid so that she can maintain her child care. Turnover at the Center is very low. One mother, who had scrambled to get in a late payment, said she had to keep her child in the program, there was no where else.

I am going to put this in the Congressional Record because I think this wealthy and powerful Nation needs to understand the problems at this level. I think it is a remarkable phenomenon that we have today, through your testimony, an insight into the life of this young woman with her baby and small children and into the life of Lynn Redgrave, a well-known actress with no financial problems, and see that there is a commonality of concern with child care, of how we bring up little ones in this very complex and demanding age.

I am very grateful for your testimony.

The Chair will turn over this seat for a few minutes to Congresswoman Pelosi because there is a senior center next door which is celebrating its fifth anniversary and I was there for the opening and they asked me to stop by just to say hello.

I will now call on Mr. Paul Proett of Apple Computer to begin his statement.

STATEMENT OF PAUL PROETT, DAY CARE RESOURCES DIRECTOR, APPLE COMPUTER, INC.

Mr. PROETT. Thank you, Mr. Chairman, and thank the committee for my presence here today.

This is particularly a full circle for me having been in the child development field myself for 12 years as an aid, teacher, director, and now as Apple Computer's day care resources director.

I must also say that the company was rather taken aback with this level of interest at the congressional level on child care. Our governmental relations office was quite surprised I was asked to testify. So, I am quite pleased that this committee is showing the leadership and asking for testimony from a variety of people in the community and the corporate centers.

As Apple Computer's program is planned at this point, I invite the committee or any Members of Congress in the future to come and see what we think will be a superior child development facility for our employees. I have given the committee a rather impassioned testimony for leadership at the national level, just as we need leadership at our corporate level to make these things happen, but I am going to talk with you today about some of the stumbling blocks I encountered in creating our program, which I think are important to the future development of the corporate sector's involvement in child care and, indeed, anybody's involvement in child care.

One of the major stumbling blocks for Apple Computer in our search for a child care center was space. As Congressman Lantos has indicated, if everybody created space, a lot of our problems would be solved. Let me tell you some specifics about our space search that I think have occurred in many other places.

One is we live in an urbanized suburban area, Silicon Valley, where there are heavy traffic problems, land use is dense, becoming denser, and as a result, I think the process of gaining use permits is very difficult. In the city in which we operate, Cupertino, child care is considered a special use.

That means that when we found a site we felt was ideal, and I must say that this was the third site we looked at, a school site, within a mile of Apple Computer, which would provide the convenience of dropoff and also the ability of nursing mothers to come and nurse, we found also the opposition of angry neighbors. It is not a lovely position for a growing company like Apple who is extremely public in this area, often in the papers, to have itself portrayed in the papers as against the neighborhood in which they are trying to locate a child care center.

We were denied a use permit for a child care center by the planning commission, only to appeal to the city council and be given the use of permit, with many special conditions.

The lesson for us out of that process was everybody wants child care, but not in their backyard We are very concerned that as we begin to look at other sites that the company has, we will again have to deal with not only the problem of space but whether people

like us using space for children. It is quite ironic to me that although this was a school site, the neighborhood was what I would perceive, very tired of growth in general and child care was one of the places that growth was getting jammed, so to speak.

I am happy to say that we do have the site. We are planning the site, and there is a second concern that I have that we learned in our process. My college background and most of my professional career, as I said, was in community-based organizations, doing child development and child care-related advocacy, teaching, directing. So, when I went in to develop a program for the company, space was not the only area in which we needed money.

To provide quality child care costs money. It costs money on an ongoing basis, and that is a very difficult thing for a company to accept because creating a facility would seem like a solution to the problem and has, indeed, been the solution to the problem of availability of child care. Just having an available space does not solve the problem.

If we, at the corporate level, I believe, create or re-create the problems that already exist in the community of child care, we are in trouble. The low pay of teachers is a problem. It causes turnover. We must subsidize our budget in our program in order to bring teachers' salaries up above the standard created in the community.

The Apple Computer child care center employees are Apple employees. That means they enjoy benefit packages that cost about 40 percent of salaries. That is an extremely high cost and I would challenge that it is much higher than what the community-based organizations is able to offer.

Suffice it to say I think it is very important to realize that providing child care costs money on an ongoing basis and that money needs to come from the public sector, the private sector, and the philanthropic sector because children need to be a priority for all of those sectors.

I would like to talk also briefly about tax incentives which have been suggested as an incentive for employer involvement. My work had me involved with employers other than Apple Computer and while there is some interest in a tax incentive and, while it is an important thing to consider in the financial ramifications of creating a child care program, it is not the No. 1 consideration. The No. 1 consideration is that there is a champion at the top and, thankfully, John Scully and some of the executive staff at Apple Computer think child care is the right thing to do. That is the kind of leadership we need to see in our company and that at the Federal level and every level of government, every level of corporate associate relationships the champions exist that those in power will believe the children are a priority. That is what made the difference for our company.

Also, I would also like to comment on the regulatory environment. My title, as I said, and it is rather unusual in the corporate sector, is child care resources and services director, and I work in the benefits group of the company. The benefits group deals with a lot of issues that involve the Government and many of those are regulatory issues.

One of the challenges in dealing with a benefits administration is dealing, of course, with the regulatory environment. It strikes me as an outsider coming into this heavily regulated environment that while I know from working on child development that regulations are extremely important to protect the minimum level of care of children, I also realize that the good guys always get punished. Those who deal with the administration get regulated. Those who do not do not. I think that the attitude has developed within the company and in many companies to generally associate frustration with the regulatory environment.

If we do this, we must deal with a large set of regulations and a large set of costs with those regulations. I do not have a solution to those problems because I think regulations are necessary, but I think that we need to think about the fact that those who comply must meet the regulatory environment. What about those who do not comply? Should not the incentives lie with those who comply with the regulations, not with those who do not?

Thank you for the time and I hope you will come and visit our facility when we are open.

[The prepared statement of Mr. Proett follows:]

TESTIMONY- EMPLOYMENT AND HOUSING SUBCOMMITEE
UNITED STATES CONGRESS, HOUSE OF REPRESENTATIVES
RE: CHILD CARE

Good morning. My name is Paul Proett. I am a child care consultant with clients primarily in the business sector, yet I have spent almost 12 years working in a variety of roles in the child care field. I have been a teachers aide, teacher, director, community child care organizer, a non profit administrator and am currently undergoing a transition to become a child care resource and services director in a corporate setting, Apple Computer. I would like to discuss 3 areas of concern in the burgeoning field of child care. I am not going to take your time with workforce demographics, because I think there are numerous publications, media programs and government documents that demonstrate— the increasing demand for child care outside the home—the growing number of dual working and single parent families——the lack of an adequate supply of child care—and the costs of child care that limits access for many. However, I would like to focus comments on some thoughts that are constantly "churning in my mind".

We have a demand, without supply to meet it. We have volumes of information without much action. We have a decreasing public role in Americans lives, yet an increasing need for public leadership.
So my first area of comment or concern is why are these dichotomys existing?
Without sounding like a "generalizer", the leaderhip, philosophy and goal oriented planning simple does not exist in the child care arena. While many forthright legislators, national advocacy groups, community organizations, foundations and others provide the ideas, leadership, and often the solutions to the problems, those efforts are patchwork, puzzle like. Some kind of fundamental concensus must begin to be built about the responsibility, services and rights of a major citizen group, CHILDREN.

Yes, I know children don't vote, so it is parents, advocates and educators who must press the buttons. Among those groups many conflicting agendas exist. I believe that the federal government through its elected representatives, including the President has the responsibility to forge a national concensus . We are a diverse country and I know values are diverse and they should be. But what is the common ground throughout the nation? One, Children are an important national resource that is being abused, neglected and not planned for. Two, the need for care of children outside the home is universal. (The latest statistic indacates that less than 10% of all American families fit the "Ozzie and Harriet mold") Most American families have either two working parents, no children or childiren with one parent.)

So if the big picture is concensus, and leadership, the "medium" picture is infrastructure. It is difficult to be brief here. I will simply relate one story to illustrate my point. At Apple Computer, the quest for a site for a company supported child care center took over a year. Why? Industrial and office sites are unable to meet the outdoor requirments of children. Children were never planned to be there, yet increasing numbers of parents are. School sites are the next bet, particulary in a "pilot" program as we have at Apple. In reseaching three school sites several problems arose. 1. Schools that had been closed for a peroid of time would have required that Apple incur the expense of bringing the building to earthquake standards, an unaceptable expense for short term leasee. In a growing area, closed schools seem to need to remain closed for many neighbors during the use permit process. We came to the conclusion at Apple that everbody advocates for child care but not in their back yard!

We must build the provision of child care into municipal, and state master planning processes. Many cities, which you will hear about, have begun to implement child care into a variety of planning processes. We must examine those approaches and evaluate their effectiveness.

Moving from a big, then medium to perhaps the small (?) picture. Not really. Lastly, I'd like to talk about details——

1. Employers have liability and deep pocket concerns, and the insurance available to a large corporation is often 20, 30 and in some cases over 1000% over the rates community based programs can obtain. This causes companies to consider "arms length" relationships with child care programs or no program instead of integral parts of the company. Child Care programs in companies that are directly in the companies control, I believe are desirable because they develop the companies interest in the program, and give employees the needed sense of input and control.

2. Where does a company go for professional information ? There are consultants of greatly varying ability. There are management consultants and benefits consultants adding child care to their list of expertise. (This expertise is not easily developed in my opinion) Companies can also try to get information from the typically overwhelmed community based organization for information , if they are lucky. Often there is a basic mistrust of government related organizations in the corporate sector. Why? Regulation is one of the greatest fears of corporations. Why? In the benefits arena, there have been over 6 major pieces of legislation that effects benefits since 1970. (ERISA, ERTA, Economic Tax Recovery Act of 1984 and on an on) The intention is good, the outcome is increased administrative costs for the corporation.

A truly useful incentive for the corporate sector would be simplification of regulatory compliance. I want to make it clear here that I am not suggested simplifying child care regulation, which by the way Federal ones have been shelved since 1975. The minimal health and safety of children must always be stringently regulated in day care. Rather, I am suggesting an incentive by which a company that offers comprehensive benefits, not just day care, has greater tax advantage and minimal scrutiny. Unfortunatley, the regulatory system tends to punish those who do the most by involving more regulation.

I am often asked about tax incentives that would encourage corporations to get involved in child care for employees. I have recently been informed of a bill HR3005 by Congressman Lipinski involving a tax credit. Frankly, most companies do not bother with a credit that amounts to so little. Also, every company I know with a child care program has an "Executive Champion", some one in a significant decision making position who believes in providing child care for employees. That champion truly becomes the company advantage. Isn't time we had a concensus in Congress and pressure on the Executive Branch for Federal Champions? Is a piece of legislation today, really the "cart before the horse" without a philosophy that places children as a national priority for funding ? Finally, there is a fear I have and that is that we are trying to discover a quick fix, a blueprint, a good piece of legislation for child care. What we need is consistency, leadership and concensus building. An American Children's Bill of Rights, that includes the provision of quality child care through a variety of means, private, public and philanthropic. I appreciate your time, and hope your pursuit of information leads you to a useful conclusion. Thank you.

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Ms. PELOSI. Thank you very much. We will be bringing some other guests to visit as well. We will have some questions, but, first, we will be hearing from our next witness, Mr. Robert Cervantes, director of the child development division, the California State Department of Education.

Mr. Cervantes.

STATEMENT OF ROBERT CERVANTES, DIRECTOR, CHILD DEVELOPMENT DIVISION, CALIFORNIA STATE DEPARTMENT OF EDUCATION

Mr. CERVANTES. Thank you, Madam Chairman.

As noted in my testimony, the State department of education in California enjoys a somewhat enviable position, at the same time a somewhat awkward position. The enviable position, of course, is that the State of California through its general fund dollars allocates $320 million to child development services. I believe if you will check the record, this level of money is unprecedented in any State in the country.

In addition to that, we also administer something close to $44 million to meet one of the major inhibitors of developing child care and child development centers, that of facilities.

I would point out that we also are unique relative to the delivery system in that we are fostering, if you will, the partnership effort that so many people discussed. Specifically, we are very proud of the fact that we have and do business with a number of private providers as well as the public providers, including cities, counties, and school districts.

Now, the services that we provide through this funding serves approximately 111,000 children, 80 percent of whom are the working poor. That is to say, they are not on welfare, and that the fact that they are able to put their children in a State subsidized center is what keeps them off of welfare.

It is also particularly important to note that the nature of our programs focus on child development. I would offer to the committee a suggestion to be particularly cautious in the use of a term such as "child care, day care and child development." The differences are subtle, but the differences, indeed, are important.

I would also point out that, however, despite the leadership role that the State of California plays in the field of child development, we are not by any means meeting anywhere near meeting the need. I wish I could be here testifying before you and say we are meeting 50, 60 or 70 percent of the need. The fact is that we are not. The fact is that the State of California is only meeting 7 percent of the need that exists out just here in the State of California.

One of the programs that the State department operates virtually year round, that is to say, an average of 250 days a year. Many of our programs operate 10 to 12 hours a day. We have a number of centers that operate 15 hours a day, and a good number of centers that even operate 24 hours a day. It really literally boggles the imagination when you understand that we have in excess of 2,500 centers throughout the State serving in excess of 111,000 children. But the tragedy is that even that level of funding, that level of commitment, in addition to the Federal level of commitment via

Head Start, which is about $95 million, as I recall, and is serving an additional 34,000 and the private market is serving anywhere from 200 to 250,000 is sufficient. In spite of all that, we have documented evidence that I will be pleased to submit to you of a recently completed report that we did, which was rather comprehensive, which found there is still a need for 1 million children that are not only eligible but, in fact, need and desire these services.

I wish I could be here before you to say that I think the future is bright and that we are going to have a lot of new funding both at the State level and at the Federal level. Although, in fact, I am mindful that there is before Congress a bill that would appropriate, I believe, in excess of $1 billion, which certainly would be welcomed here in terms of our pro rata share for California. But the fact of the matter is, we are, in effect, trying to move a boulder up a mountain in the sense of a consciousness before the State and, indeed, others in leadership positions that, for children, in fact, there is life before kindergarten. That children, in fact, are born as infants and not hatched as 5-year-olds.

I would point out with respect to the major inhibiting factors that we see with respect to servicing the needs of the families and the needs of the children are specifically the following:

There is simply lack of funding. I am not at all suggesting that we solve the problem by simply throwing money into it, but the fact remains that we do need additional funding not only at the State level, and more specifically, at the Federal level. It is a question not only of how much money but, more specifically, the process, the articulation of how those funds are distributed are particularly critical, and an area that I would point out that I do not think that we are particulary mindful of.

The other inhibiting factor is that of staffing. Every State, as you are aware, has its staffing standards. In California, we have been literally in a pitched battle with some members of our own State legislature that have suggested that we reduce the minimum staffing standards of 12 hours of college unit credits in child development to substantially less than that and, in fact, increase the teaching ratios.

We have opposed that simply because to do so would be to reduce, to delimit, if you will, the quality of the programs and, hence, the impact that these programs have.

I would also suggest that one be particularly mindful of the fact that had it not been for State funding and Federal funding via Head Start in most impacted areas, that the very children that are at greatest risk would not have the opportunities that they now have, at least to have a step up, if you will, the assistance that they need in order to become full participants in our society. The fact is that absent that assistance, they would not benefit from early intervention and the situation would be even more difficult to deal with.

The other point that I mentioned as an inhibiting factor to the expansion of services, of course, that has been mentioned before, is that of facilities. Even if we have the program money, we need to have the sites, whether they be family day care homes or specifically centers or in schools or in county or city locations, and it is a very difficult process to access those facilities.

Another item that has been mentioned, of course, is high insurance cost. We have extremely long piles and piles, if you will, of the insurance crisis that is faced not only here in California but throughout other States. I would strongly urge considerable attention be made to oversight with respect to the insurance industry. I believe our money should go to serve children, not to subsidize the insurance industry, and the fact remains that we have a compelling evidence that the insurance rates paid by our providers have been increased anywhere from 300 to 3000 percent.

Finally, I would suggest that with respect to recommendations, as I mentioned, that the Federal funding via Head Start, for example be expended. I believe that everyone will agree that is necessary. That funding as it comes to the various States, particularly California, be funded in such a manner that is articulated and one that complements State funding efforts.

I am and must note with particular pleasure the leadership exercised by the Region IX Director Roy Fleischer, by the Head Start Acting Commissioner Chennie Murphy. They have been particularly sensitive to our needs, and I am very pleased and we are continuing to work together on that, but the fact remains that the money should be targeted and I have made some suggestions with respect to that in my testimony that they use an allocation formula very similar to what we use in the State.

I would also suggest that Federal funds be made available to complement an effort to bolster, if you will, the availability of the staffing qualifications of professionals in the field. We now face a critical shortage. That shortage is going to get worse. So, the sooner we get on with the business of providing training funds and assistance funds, then I think that the interest of the general public will, in fact, be met.

I would suggest that there also be via Federal legislation assistance with respect to supporting developmental and research efforts, particularly in the area of understanding, if you will, the process of child development with specific emphasis on school readiness because that has become a major issue in California. On the issue of curriculum, I might note that I believe the interest of the Federal Government via Head Start and that of the State of California with respect to curriculum and servicing children are identical. I believe that greater flexibility should be added via the legislation so that we can have greater articulation.

The area that needs particular attention is that of language development and respect to culture responsiveness of which it is a part. I think the strength that we have in California, is that of dealing with a diversity of children from various language and ethnic backgrounds.

I am, however, I have to juxtapose that with saying that our recent information we have found that, however, that there is a major problem in that the incidence of poverty among minority language groups has increased in the last 5 years in excess of 120 percent.

There also needs to be, and I would encourage you via Federal legislation to foster flexibility in the use of moneys to develop partnerships and incentive grant funding, such as for county-level planning which was an issue that was addressed. We, too, are attempt-

ing that again via State legislation with particular emphasis on startup funds. It is a low-cost, low-investment but high-result effort. Also we need to look at innovative approaches for child development and, finally, I would strongly suggest that more funds be made available.

Again, we are attempting R&D funding through the State level but if Federal funding can be made available, for public service messages that could go on various TV programs, that are 30-second spots, that can talk about parenting skills, that can talk about issues of health, that can talk about issues that kids go through then I think these will be very valuable. Low-cost, high-impact.

Finally, I would recommend that there be some specific deliberations, if you will, with respect to some policy issues. These include, and people have alluded to them, for example, of specifically earmarking funds for Federal vocational and job training programs.

Although laudable efforts have been made in California with respect to its Welfare Reform Act via what is known as GAIN (Greater Avenues for Independence), with respect to child care, it is my conclusion that it is a head start up a short alley because of insufficient attention to the details and the actual services that these folks need.

In addition, the other policy issues that must be addressed include access of child development/child care for parents, the promotion and, indeed, the definition of quality, planning approaches and, again, with respect to partnerships.

Thank you very much.

[The prepared statement of Mr. Cervantes follows:]

Federal-State Child Development Issues

Testimony submitted before
Honorable Tom Lantos
San Carlos, California
September 11, 1987

by
Robert A. Cervantes, Ph.D.
Child Development Division
California State Department of Education

Introduction

On behalf of the California State Department of Education, I am pleased to provide testimony before this Congressional committee relative to fostering Federal/State articulation in meeting the Child Care and Development needs of California's preschoolers.

To place this testimony into context, I wish to briefly provide an overview of California's Child Development programs, a brief outline of current Federal/State interface, emerging child care needs, and finally recommendations to enhance our mutual services to children.

Overview of California's Services

California has in place the largest, decentralized child care and development system in the nation. Current funding totals $319 million for direct services, $43.5 million for facilities acquisition, repairs and renovation, and $880,000 in miscellaneous programs.

Child Care and Development programs include Center-Based programs, State Preschool, Migrant, Campus, Handicapped, Latchkey, School-Age Parenting and Infant Development, Pregnant Minors, Family Day Care Homes, Alternative Payment, Exceptional Needs, and Resource and Referral. Services are provided through public and private non-profit agencies. Some notable statistics are:

No. of children served:	111,000
No. of contractors:	1,150
No. of Agencies:	850
No. of Center-Based Sites:	1,750
No. of Family Day Homes:	500

Our programs operate year round (averaging 246 days a year), are open an average 9-10 hours a day (some are open 24 hours, and others 12-15 hours a day) and are primarily located in economically impacted areas throughout the State. A more detailed description of these programs is contained in CDD Program Facts accompanying this testimony.

Federal Program Interface
Introduction

Since the State "buy-out" of Federal funding for Child Care and Development services, the State Department of Education, Child Development Division interface has been primarily one of program coordination in the co-location of Head Start and State Preschool programs, administration of a limited Federal supplement for Migrant Child Development and administration of a small "Latchkey" planning grant. These are as follows.

Head Start

The Federal Government, through the Department of Health and Human Services, Administration for Children, Youth and Families (ACYF), Head Start Division, administers a large part-day preschool program nationwide through its regional offices. There are fifty three (53) Head Start programs in California which serve approximately 34,000 children. The total Federal funding for Head Start programs in California is $95,500,000. The Head Start program in California is administered by the Western Regional Program Director of the Administration for Children, Youth and Families located in San Francisco.

The State Department of Education, Child Development Division has maintained a close working relationship with the Regional ACYF administration since the inception of Head Start in the mid-1960's. The Child Development Division administers the State Preschool program, which operates very much like the Head Start program, and in a number of areas of the State the programs are co-located with Head Start and State Preschool children being served in the same classrooms. The slight differences in program requirements have required constant communication over the years between the Child Development Division and the Head Start administration. In addition, the Head Start program has received periodic expansion funds to increase service in California. The Division has worked closely with Head Start in an effort to distribute both State Preschool and Head Start funds throughout the State in the communities with the greatest need.

Migrant Head Start Programs

The Migrant Head Start Division, also within ACYF, administers full day Migrant Head Start programs in California. Some $2.14 million of Federal funds to California go to supplement services to approximately 3,085 children (State funding is $6,616,000).

The Migrant Head Start program is very similar to the Migrant Child Development program administered by the Child Development Division. A number of the programs are co-located with children funded by each program served in the same classrooms.

Much of the articulation with Migrant Head Start has involved coordination of funding allocations in California. However, there have been both program and fiscal issues arising out of conflicting requirements which have required joint resolution. The communication with the Migrant Head Start Program administration is less frequent than the regular Head Start program because the Migrant program's administrative offices are located in Washington, D.C.

Federal Latchkey

In June, 1986, the Child Development Division applied for Federal funds available through PL 98-558. The funds, totalling $339,760 were directed to two program areas as follows:

a) Latchkey Planning Grants

Under this funding, private agencies may apply for $4,000 planning grants to initiate self-supporting before-and-after school programs for school-age children. Total funding available is $222,644 which will fund 55 site grants.

b) Resource and Referral

Under this funding, Resource and Referral programs throughout the State were given additional funds to be used in the implementation of Greater Avenues to Independence (GAIN). Total funding of $117,116 was available for this purpose.

Although these are Federal funds, no articulation has been required with Federal agencies. A renewal application for FY 87-88 has been submitted and funded.

Program Quality Reviews

Another area of coordination has been in program quality reviews. Last year, for example, there was integration of the Federal and State program quality assessment instruments known as the SAVI and PQR respectively, and coordination of review schedules. This effort has saved both our agencies' resources and most certainly has been well received by affected programs.

Much of the credit for such a positive Federal/State relationship goes to Roy Fleischer of the Region IX office in San Francisco, and Clennie Murphy, Acting Associate Commissioner, Head Start Bureau in Washington, D.C.

Existing and Emerging Needs

Despite the extensiveness of the State Child Care and Development system and cooperative Federal/State relationships, critical needs exist. Consider for example:

1. The State Child Care and Development system is saturated. Yet, there remain 1 million children who are eligible and need those services in California.
2. The incidence of poverty among children served has increased 120% in the past six years.
3. The families served are primarily single parent (female) households with a monthly income of $1,100 (or $13,200 annually.)
4. Children from families headed by single women make up 66% of all children served, and in State Preschool, 86% of children are from families headed by a single woman.
5. Child Care and Development professionals are among the lowest paid people, often below the pay level of fast-food clerks.
6. Some 38% of children served are non-English speaking.

Exacerbating these needs is the lack of a cost-of-living adjustment which is having a particularly adverse impact on the State system.

Notwithstanding the documented evidence of the educational, social and economic benefits of the State Child Development program and the Federal Head Start program, a challenge remains to enhance services.

Recommendations

The Federal/State coordination is extremely positive as noted. However, to enhance children's services, a number of recommendations are offered:

1. Program Expansion. There is clearly the need for Head Start expansion. Indeed, we are pleased that proposed Congressional legislation calls for a $1.2 billion dollar expansion, of which some $100 million may be California's share. The expansion, however, should be "articulated." In particular, articulated expansion of co-located Head Start/State Preschool programs offers considerable program and administrative benefits given variation of fiscal years, expenditure authority and children's needs. Future expansion should also consider allocations based on geographic needs, needs such as the incidence of need profile used by the State (i.e. county level allocations based on number of children in need, AFDC and single working women). In this manner both Head Start and State programs are targeted to the areas of greatest need.

   Also, consideration should seriously be given to expanding the age range of children served by Head Start to include, under specific criteria, infants and toddlers in addition to preschool children.

2. Combined Program Approaches. More often than not there are more similarities than differences in program approaches in State subsidized programs and Federal Head Start. It would, therefore, behoove us to consider combining resources to promote the common good. Several areas are particularly noteworthy:

   a. Comprehensive Services Programs. Permissive Federal legislation and/or administrative flexibility should be developed to promote nucleus service programs. For example, Head Start programs might serve as a nucleus for full service programs encompassing State Preschool and Latchkey programs to promote articulated services in much the same way as many State programs currently operate. This would have the advantage of promoting an economy of scale, and articulated services.

   b. Curriculum Materials. Both the Federal government and State are embarked on separate tracks to develop curriculum and training materials. While many products are shared informally, a concerted effort needs to be made to mutually provide each other with materials on a formal basis. On the "margin," the cost should not be that great. More specifically, a number of areas such as State efforts in school readiness, language development guidelines and development of infant media training materials have attracted Federal interest. Co-funding for publication and development would be most welcome.

c. Integrated Program Quality Review. Previously noted was the integration of the Federal and State program quality reviews known as the SAVI and PQR. While this is a step in the right direction, we would propose an additional step - that of developing a single comprehensive review instrument which would satisfy both the Federal and State agencies. This effort would take limited human resources and limited funds to pilot test, but would represent a modest investment with greater coordination and uniform instrument as the outcome.

3. Staff Training. Recent data obtained from our Triennual Report clearly suggest that attracting and maintaining a cadre of qualified staff is critical to program quality. Poor salaries in particular mitigate against retention of qualified staff. The fact is that renumeration of Child Development professionals is simply not commenserate with their responsibility. Indirectly, professionals are subsidizing children's services programs to keep them affordable. But "affordability" does not equate to the cost of services. To increase the retention and professionalism of child development staff it is strongly recommended that joint efforts to support staff development in aiding staff to meet certification and credentialling requirements be explored. A highly trained, professional cadre would benefit both Federal and State agencies and substantially contribute to maintaining program quality. The State has in place a Community State College Training Consortium that could be expanded to meet this need.

4. Research and Development. In order to promote quality it is essential to promote developmental activities in curriculum, language development, use of automated systems to ease administration, and, in general, planning. Also it is critical to ascertain the benefits of our programs. Toward addressing these needs, it is recommended that Head Start, in conjunction with State efforts, join in defining and supporting a Research and Development agenda. Specifically, there is a dire need to work toward developing a State/Federal plan to coordinate expansion funding and services, to develop guidelines in meeting the needs of language minority children, to address socio-cultural aspects of children, and related issues. We would be pleased to work with our Federal colleagues in this endeavor.

In brief, Headstart and State subsidized Child Development programs provide a critically important early intervention that greatly enhances the social, educational, and economic opportunities of children and their families. Notwithstanding the benefits to children being served one sad reality is another one million are in need of services. Statewide we estimate that a total funding of one billion dollars is needed to serve eligible children. Every opportunity at the Federal and State level must be exercised to meet our children's needs in an articulated and substantive fashion. We believe, as has been documented in research, that an investment in an early intervention program is one that will pay ten-fold in benefits.

Summary

As previously noted, Federal/State cooperation is extremely positive. Given our mutual concern to provide quality child care and development programs, it would be essential to continue to work together on issues of program quality, articulation of expansion funding, staff training and research and development. While State resources are currently limited, this should not detract from promoting serving the needs of families and children. We, the State Department of Education, would be pleased to work with you in developing joint efforts to support quality programs.

Mr. LANTOS. I want to thank all four panelists and I wonder if my colleagues have any questions.

Mr. DIOGUARDI. I will submit my questions for the record, Mr. Chairman.

Ms. PELOSI. I will submit my questions as well, but I do want to thank the witnesses for their testimony. I think here we have representatives of labor, of the community, of business, and of the State, and who have provided some excellent suggestions.

I do want you to know that in the interest of finding better child care for our children, we do not want to throw up obstacles of regulation and more redtape, but I hope that you will work closely with us. We assure you that you will all be hearing back from us about some specific suggestions you have made and I very much appreciate your testimony today.

Thank you.

Mr. LANTOS. Thank you very much.

Congressman DioGuardi has an observation to make before we dismiss you.

Mr. DIOGUARDI. I, too, want to thank you for your testimony.

In the 40-percent figure you mentioned at Apple Computer, does that include the cost of insurance? We did not talk about that, and I was wondering if it did.

Mr. PROETT. The figure is a benefit cost. Are you referring to the insurance of the child care center?

Mr. DIOGUARDI. Yes.

Mr. PROETT. I did not mention that as another area that we have, indeed, dealt with, too. Our first quote, and I cannot tell you the exact figure, is a fixed figure for an insurance premium to protect us.

I dealt with that issue simply by advocating as a consumer for the fact that child care is not a high-risk operation as the insurance industry seems to perceive.

Mr. DIOGUARDI. So, you are self-insuring?

Mr. PROETT. That is yet to be determined. A portion will be probably self-insured because the limits of liability are not available to us that are necessary for our company.

Mr. DIOGUARDI. That apparently is going to be a major issue for the full committee to deal with and I would like to have the benefit of what you are doing so that we can share that with the corporate community in general because I think there has to be an answer to this.

Mr. PROETT. I will ask our risk management people to address you directly with the information.

Mr. DIOGUARDI. Thank you.

Mr. LANTOS. I want to thank the whole panel for their most valuable testimony.

[Messrs. Cervantes' and Proett's responses to additional subcommittee questions follow:]

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
BILL GRANT, FLORIDA
TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
JON L. KYL, ARIZONA
ERNEST L. KONNYU, CALIFORNIA

226-4751

ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

December 10, 1987

Dr. Robert Cervantes
Director, Child Care Development Division
California Department of Education
560 J Street, Suite 220
Sacramento, CA 95814

Dear Dr. Cervantes:

As we complete the preparation of the record of the Employment and Housing Subcommittee hearing in San Carlos on the child care needs of working parents, we would appreciate your response to the following questions:

1. a. You made a number of cogent recommendations for expanded Federal contributions to child care programs, including improving already good Federal-State cooperation. Have you made these proposals to the appropriate regional and Washington offices? If so, what responses have they made? If not, do you believe that such proposals should be made at higher levels, or are there other obstacles?

b. (From Rep. DioGuardi) You discussed an overlap between Federal and State programs. Do you believe there is enough dialogue between the two levels of government? If not, how do you believe we can foster such a dialogue?

I hope that you will able to reply by January 15 so that we can include your respose in the printed record of the hearing. Thank you for your coopeation.

Best wishes for the holidays.

Sincerely,

Tom Lantos

TOM LANTOS
Chairman

CALIFORNIA STATE DEPARTMENT OF EDUCATION
721 Capitol Mall
Sacramento, CA 95814-4785

Bill Honig
Superintendent
of Public Instruction

January 8, 1988

The Honorable Tom Lantos
Chairman
Employment and Housing Subcommittee
of the Committee on Government Operations
Rayburn House Office Building, Room B-349-A
Washington, DC 20515

Dear Congressman Lantos:

I am pleased to respond to the questions raised in your letter of December 10, 1987. The questions and responses are as follows:

Q. Have you made these recommendations (regarding expanding Head Start) to the appropriate regional and Washington offices?

A. In a number of discussions with the Region IX Administrator we had discussed many of the concepts embodied in my testimony. However, it was not until I met with the Acting Associate Commissioner last Fall that I specifically raised the issues embodied in my testimony regarding expanding services to other age groups such as toddlers and infants, and use of alternative delivery methods, and a revised allocation procedure to insure improved equity. These recommendations were positively received but I was informed that such changes would require Federal legislation. We expect to offer specific recommendations in the pending Federal legislation.

Q. Regarding overlap between Federal and State programs, do you believe there is enough dialogue between two levels of government? If not how do you believe we can foster such dialogue?

A. There is positive and open communication between the California State Department of Education and Region IX ACYF Administrator headquartered in San Francisco. We have cooperated in a number of activities such as coordinating program review, adverse actions and co-funding of programs. However, there is, in our view, insufficient interaction with high level Federal policy makers in Washington regarding funding and program policy issues. As I testified, the similarities between many of our programs is remarkable, yet our two agencies move on different tracks regarding technical assistance and training. In our view cooperative efforts would be more cost-effective. The Acting Associate Commissioner has been particularly receptive to our recommendations for cooperative activities particularly in management training and developmental activities. We are hopeful that substantive follow-up

will take place. To enhance dialogue we recommend regional meetings between Federal and State officials at least twice each year. For example, the meeting parties would consist of at least the Acting Associate Commissioner, Regional IX Administrator and State Directors of Child Development programs. I believe such meetings would enhance communication, lead to raising and resolution of mutual policy issues, promote greater uniformity across programs, and possibly produce some cooperative interagency agreements. Such meetings are particularly vital in view of pending Federal legislation in child care/development and an increasing State role in child care. We would be pleased to work with you in promoting joint meetings.

I appreciate your support and concern. We stand ready to assist you in every way possible.

Sincerely,

Robert A. Cervantes, Ph.D.
Assistant Superintendent
Child Development Division

RAC:p

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
BILL GRAY, FLORIDA
TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
JON L. KYL, ARIZONA
ERNEST L. KONNYU, CALIFORNIA

226-5741

ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

October 23, 1987

Mr. Paul Proett
28 Delores Terrace
San Francsco, CA 94110

Dear Mr. Proett:

Time limitations at the recent Subcommittee hearing on child care prevented members from asking some questions. Therefore, we would appreciate your replying by November 12 to the following:

1. You said that companies are not interested in minor tax credit devices and that they fear regulation. Does this imply that we should give major tax breaks with no strings attached?

2. In view of the community opposition which you encountered while seeking a site for Apple's child care program, would it be preferable for employers to provide assistance to community child care organizations along with appropriate subsidies to their employees?

Rep. DioGuardi asks:

3. I agree with your assessment that the Congress and the President have to begin to look at the demands of society as related to daycare. But with diverging ideas in Washington, wouldn't it greatly benefit the daycare community to have a more visible presence in Washington? I don!t think half of my colleagues are aware of the challenges before us as legislators in the daycare field.

4. How grave a problem do you believe liability to be for companies reluctant to provide daycare services? Do you think there are large numbers of firms that would provide the service if they could afford the liability insurance?

Please return the transcript which was sent to you for correction as soon as possible. Thank you for your cooperation.

Sincerely,

Tom Lantos

TOM LANTOS
Chairman

Paul Proett
Consultation Services

28 Dolores Terrace
San Francisco, CA 94110
(415) 558-9075

Honorable Tom Lantos
Honorable Joseph DioGuardi
Congress of United States
House of Reprsentatives
Employment and Housing Subcommittee
Rayburn House Office Building, Room B-349-A
Washington, D.C. 20515

November 12,1987

Work-family integration
- Corporate child care planning
- Policy development and analysis
- Program design and planning

Community based organizations
- Board-staff team building
- Organizational analysis

Early childhood education
- Administrative training

Dear Sirs,

I apologize for the delay in responding to your further requests for information after the hearing on child care. As you can imagine, opening a child care center is a time consuming process. Here are the specific responses to your questions, (your October 23 letter attached).

1. Our company has spent significant resources on the renovation and operation of our child care center. Many companies have and, in some cases,do currently enjoy tax deductions and credits for fitness facilities, solar energy and other capital expenses. While the Child Care Center capital expenses are depreciable for our Company, our oparting subsidy is subject to Sections 125 & 129 of the IRS code. Part of the language in these sections limit the non-taxable income an employee can use for dependent care expenses (currently $5,000 per year). While the limit may make sense on individual employees, the same limits are being place on our company, ($5,000 of operating subsidy per employee user), thereby limiting the attractiveness of our company subsidizing the cost of child care. I know "strings" must be considered by clearly the IRS alone in their regulation development decides on those strings, not public policy. I might also add that the current Budget Reconciliation Act being considered proposes lowering that cap to $500. This move would virtually wipe out the tax benefit to our company for establishing a high quality child care center.

2. Our interest as an employer is to facilitate our employees work and family lives. In order to do that we determined the need to establish a child care center unlike what is available in the community precisely because employees were not getting the services they need in the community. Those services are extended hours (after 6:00 p.m.), flexibility and infant care.

3. There are several organizations "knocking on the doors" of Congress regarding the needs of children and families.
CHILDRENS DEFENSE FUND
ALLIANCE FOR BETTER CHILD CARE
NATIONAL ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN
All these organizations have offices in Washington.

4. It is hard to say. However, I know that liability insurance has increased from 50-1000% for child care centers, with no apparent evidence of increased risk in child care. I also know that our child care center liability insurance will probably be approximately 15% of our total budget.

I hope this helps with your work to improve our future, children.

Sincerely,

Paul Proett

Mr. LANTOS. Our next panel is Patricia Long, Anna King, Mary Ann Coulson, and Deborah Trimble.

We are very pleased to have all of four of you. We would like to begin the presentations on this panel with Patricia Long, who is a parent, and I think is coming in with some good accompaniment. We are delighted to have you, Ms. Long, and I want to congratulate and commend you for the absolutely adorable assistance you brought along.

You may proceed with your testimony in your own way.

STATEMENT OF PATRICIA LONG, PARENT

Ms. LONG. OK. My story started back in August 1984. My husband had lost his job due to his alcoholic behavior. I had to return back to work when Amanda was 3 weeks old. So, I went to a temporary agency and I worked in a warehouse for a couple of weeks and then at Stanford Center as a data entry operator, and I held that job through December 1985.

Now, at this time, a neighbor was keeping my children. She was charging me $535 a month. I was only bringing home about $950 at that time, and I thought that was a little bit high, but she had explained to me that her regular price was about $900 for three full-time children per month, and obviously I could not pay her that much on $950 a month.

So, I was doing pretty well. I was a few weeks behind on the child care and then she had decided one morning when I brought them that she was not going to keep them any longer. I had no advance notice. She just opened up her front door and says I am not keeping your children any more. So, I had to call Stanford and tell them they would have to find somebody else, I just did not have any other person who could keep the girls.

So, I stayed home and then in August 1986, my husband started getting really bad with his drinking. He was not working at all. So, I decided that I would go for a divorce, and I knew I needed to support my kids. So, I started thinking about going back to work, which meant I needed child care. At this time, I was about 2 months behind on my rent, my utilities were about to be turned off. I knew I could find a job, but the problem still is that I can only possibly bring home the $950 a month.

So, I decided to look into AFDC, and through them, I could get $735 a month plus $120 in food stamps and I could make it with that amount if I had the housing certificate through the housing authority. So, I called them, but they told me that there was a waiting list of 4,000 people and I could not get on the waiting list either.

So, through the food stamp worker, she told me about the new pilot program called Project Self-Sufficient, that offers job training, job placement, child care and a housing certificate. So, I went to the interview for that, but I was not accepted. Apparently out of 28 people who signed up, they could only accept 10, and I was not one of the 10.

But I did get accepted into the Job Training Partnership Act. So, from there, I went to OICW, which is the job training school, and they had offered the training and job placement and child care

also, but their courses were not advanced enough for me. I already had previous experience. So, the most I really got from them was a brush-up.

I did get some child care. My son was in school at the time and I did not need any child care for him. Christine went to the OICW child care center, and then Amanda, I was referred to the 4C, the Child Care Coordinating Council, and I was referred to them by OICW.

The OICW child care center would not take Amanda because she was not fully potty-trained at the time. She was just turning 2. So, I could not keep her there, so that is why they referred me to the 4C's. They assigned me a counselor and gave me a list of about three people in my neighborhood that kept children and I was given the opportunity to interview all three people, which was really nice. I got to choose the person that I felt was the best for Amanda and she has turned out very well. Amanda loves her dearly and we have had nothing but really good things from this lady that is keeping her.

From that point, I did find a job, working at a medical center, but I had to transfer Christine from the old OICW day care because their hours were limited to 5 in the evening and I was going to work till 6 in the evening. So, I had to go GAIN. GAIN was causing me a problem. They said that since I had found a job on my own and they did not assist, GAIN would not pay for any child care.

Again, the 4C's stepped in and they straightened all that out and through the 4C's, GAIN did pay for the child care. So, I started work in July 1987, this year, as a receptionist, but I still have the problem of child care. I did not realize that GAIN only pays a small portion. I still had to pay $42 a week and I was only bringing home $955 a month. So, that still took a big chunk out of that, which was very upsetting.

So, I had noticed on the employee bulletin board there was a data entry position available and with my experience in data entry, I knew I could get at least a dollar more an hour. So, I asked about it and since I was not through my probation period, I could not apply but they eventually said they would let me do that. So, I went ahead and applied and then, about 2 weeks after that, they had called me into the office and had said that they had chosen someone that was already in the office that wanted that position and that since I needed a job that paid a little bit more, that they were going to terminate my employment, which came as a shock.

So, here I was out of a job also. So, I called the 4C's and they put me on job seeking status, which gives me a few months to look for a new job. I had to call GAIN because GAIN was paying for the other two children and they said that since I was not working any longer, they would just drop the child care, just dropped it. They would not continue so I could have time to look for other employment, which I was getting with the 4C's.

So, that has made it a little difficult for me to go out and find a job because I have two children at home still and Amanda, through the 4C's, she gets at least 5 hours care a day. So, I do have that privilege so I can go out and look.

Now, school has started. James and Christine are in school and I still need a job and I still have the child care problem. The 4C's said I may be able to get some help by the end of the year with the other two children because Amanda is already in the 4C's. The other two as being siblings do have the priority of getting subsidized child care, but I do need a job making at least $9.50 an hour and that is very hard to find.

So, my problems have been that I cannot find a decent job, the housing certificates are very difficult to get. I cannot get the help with the child care that I need. My landlady has been helping me a lot with the rent, but I am 3 to 4 months behind now.

I am going to lose the house because I feel since she is having to make that mortgage payment on that house, she is going to lose the house unless she gets somebody in there that is going to be able to pay the rent. I cannot do it any more. So, I am going to have to leave, and I have no place to go from there. I have no family in California at all. So, it is just me and my children. So, that is pretty much where my situation is right now.

Mr. LANTOS. I want to thank you very much for your testimony. We will have some questions and I must say I am deeply impressed by the determination and the courage and the perseverance and the wonderful attitude you have shown. We shall explore every conceivable way through which the subcommittee may be of some help to you. We will do our best.

Next, we will hear from Anna King, also a parent.

Ms. King.

STATEMENT OF ANNA KING, PARENT

Ms. KING. Thank you, Mr. Chairman and board members.

I have heard all these overwhelming statistics. I think the reason why you have chosen Patricia Long and me to testify is to hear the little details of the people that we are talking about in general that are in all of these surveys.

I applied for subsidized child care when I was a divorcing, single parent with two children. I was told then that there was a 2-year waiting list. I needed to get help. I was scared. I was confused and overwhelmed. My daughter's teacher suggested family counseling. She saw some problems that my daughter was showing in school.

My counselor realized how overwhelmed I was when I asked if she could find foster homes for my children because I felt so hopeless, so helpless, that I felt that I would kill them and I would kill myself, just because I felt in the same predicament that probably Patricia feels in.

She immediately got my children to day care through a program called Respite, and I had never heard of a Respite program, but my question is, why did it have to come to that. When I was put on the subsidized program, I was able to put my life together so I could get my divorce and get things together. I found a job. I could walk to work. I could bicycle my children to day care, but I would not be able to work without subsidized child care and I want you to know that I am one of a very, very few fortunate ones, if you can call it that.

There are so many women that I know that feel that hopelessness and that desperation. They distrust government programs because they meet with barriers, such as the long waiting lists. They do not believe anybody cares. I care and I hope that all of you are here because you care.

I hope that the stories of what has happened to me help you understand some of the child care programs' problems. I am going to go back, earlier, when I was separated, also to illustrate another problem, I had a job as a dispatcher for a fire department right here in this county. I worked swing shift. The pay was very good, and I made arrangements with a neighbor who had a child to watch my daughter. I did not have child care because there was not any flexible day care available and this is not even talking about the subsidized day care.

But then my daughter got an ear infection and my neighbor did not want her child to get sick, so she would not watch my daughter. When I told the chief that I could not work, he said I had to choose between staying at home with my sick child or to work. I felt it led my employer to be biased against me because he said women took too much time off for themselves and for their children, and I really do not think that is a unique opinion either.

I asked him who took care of his children when they were sick. He said his wife, and I told him I did not have a wife and I was fired because I chose to care for my child. I could not leave her alone, but some desperate mothers do. It is not a position that any one should have to be put in.

Your child's health and safety versus your job. Now, of course, when my younger daughter is sick, I take my older daughter out of school to stay home with her because I cannot afford to take off from work. My older daughter takes on more responsibility than she should have to, but I do not feel I have any options.

I listed the problems, but I think you have already heard all of them. So, I am not going to go through them. I did want to say that the lack of flexible day care makes higher paying shift differential jobs unavailable for most mothers because there is no one to take care of the children. There, of course, is the lack of sick day care.

After hearing Lynn Redgrave's testimony, I wanted to add, my brother and his wife had a baby with a lot of medical problems, and the baby was in the hospital for 9 months after her birth. After that, she still needed constant care. My sister-in-law said she just could not take that kind of time off of her work. So, my brother took his daughter to work, to an office setting. He put a bassinette in his office and everyone commented on how wonderful he was to be such a loving and caring parent, caring father, which, of course, he was and is, but my point is I am sure if a woman had done that, that she would not have gotten away with such a wonderful act.

That is the end of my testimony. Thank you.

Mr. LANTOS. We are very deeply grateful to you, too, and very much impressed by your obvious high caliber and the way you have coped with these problems. I want both Ms. Long and you to know that you are performing an enormous public service for a large number of women in similar situations around the country because this congressional committee will issue its report to the

whole country, to all Members of Congress, not just to present the story, but to find effective solutions. We are determined to do so. I can assure, we are determined to do so.

Mary Ann Coulson.

STATEMENT OF MARY ANN COULSON, FAMILY DAY CARE PROVIDERS, INC.

Ms. COULSON. What a thing to follow.

My name is Mary Ann Coulson. I have been providing family day care for 16 years in San Mateo County. I am the current president of San Mateo County's Family Day Care Association, vice president of the California Federation, and membership chair of NorCal, another State association.

In San Mateo, we have approximately 350 members out of approximately 500 active homes. Family day care is a small business, where providers give individual loving quality care in their homes for the children of working parents. Providers open their homes recognizing there is a need for such care. The building blocks of our chosen career are licensing or registration, networking in city groups, family day care associations, and information or referral networks. These are the supports that make longevity in this job possible.

Parents of newborns are returning to work earlier than ever before, flooding the child care market with babies 6 weeks and up, who require warm, loving, individual care. A child is categorized as infant until 2 years of age. An immediate solution to this unmet need would be reducing the infant category in family day care to 18 months and adjusting the infant ratio in large capacity homes. This would result in opening up 33 percent more infant positions. This is a change in policy within our State regulations and not a statutory change. It would have no fiscal impact upon the taxpayers and the increased availability could reduce child care costs.

Subsidies are available to the very poor sometimes, but frequently the working class just pay the child care, housing and food. Sick child care also needs to be addressed. Parents and labor and employers spend countless hours and dollars on sick leave or unpaid personal time off due to their children's normal illnesses. This results too frequently in job termination, adding more people to the welfare public assistance rolls.

We as family day care providers would like to offer solutions to the care of sick children. Flexible work schedules and restructured sick time need to be addressed by the employers.

Across our Nation, cities are making it increasingly difficult to operate a large family day care home. We need to establish a national exemption for this to be considered a residential usage of our home. Children belong in their neighborhood school districts, not having to be bused or shuttled some place else.

Providers need increased educational opportunities; CPR, first aid, sick care, business practices, stress reduction, planning and dealing with special needs children. These opportunities need to continue to be tax deductible to further encourage usage and improvement. IRS auditors are continually ignoring Federal tax codes that grant exemption of home usage in family day care. This legiti-

mate tax deduction is one of the very few perks to which we are entitled. We propose the IRS must instruct their auditors in stronger compliance with these unique laws.

Nationwide, insurance needs to be readily available, coverage for professional liability for automobile, for homeowners, for health insurance as well as retirement funds and disability placement income. Benefits need to be accessible at a reasonable rate.

Airport personnel require 24-hour care and flexible scheduling. The airport coalition project was drafted using family day care providers as their primary source of child care. Recognizing their special needs, we cannot ignore our own needs to maintain our independent business status, free of restrictive contracts or agreements.

Licensing is a necessary tool upon which we need to build and improve.

One example would be for licensing evaluators to be mandated to use family day care providers for annual in-service training programs. San Mateo County is a fairly affluent county. The rest of our country is not necessarily so blessed. Rates for child care can be anywhere from $25 to $50 per week, averaging a 50- to 60-hour workweek. That works out to about 83 cents an hour. Nobody can be expected to live and prosper on 83 cents an hour.

Even though we recognize child care is the second highest expense of working parents next to housing costs, we still are well below the minimum wage. We have no benefits. We must demand that the President's budget cutters stop trying to cancel the child care food program for family day care with each new budget year. Sometimes that small additional income can be the difference between make or break in a family day care home.

Nationwide, there are insufficient infant positions. Parents jeopardize their jobs with sick time. Zoning is impossible and becoming worse. Educational opportunities need to be encouraged and insurance needs to be readily available. Parents' special job demands need to be dealt with fairly and licensing and adequate wages need to be improved upon.

Providers network with each other for support and stress reduction. Providers belong to their local, State, and national associations in order to be kept aware of current issues relevant to the profession. These providers maintain their professionalism by looking for ongoing educational and awareness opportunities.

Loving the children is important. Patience is mandatory. Good business practices are required if you hope to be successful at this. We need to daily address each child's individuality, respect the family's cultural diversities, comply with local and State regulation, as well as being willing to work toward making changes when necessary. All of these things go into making a quality family day care provider.

Family day care is the most valuable and major child care resource in our country. In our hands, we in partnership with parents and labor shape and mold the children who will guide this country's future. We as providers supply love, strength, structure, freedom, counseling, support, and guidance to the children and their parents.

Is it not time we acknowledge this incredible resource of independent small business operators? Our country could not function

without us. Therefore, we need to work in partnership with parents, labor, big business, and the government to accomplish all of the above and maximize our country's opportunities.

As a family day care representative, I would like to thank you for including us in the hearings, and we look forward to being included in future activities. I and my board also invite you to visit our family day care homes, if you have the time.

[The prepared statement of Ms. Coulson follows:]

Family Day Care Providers, Inc.

The Day Care Association of San Mateo County

MY NAME IS MARY ANN COULSON. I HAVE BEEN PROVIDING FAMILY DAY CARE FOR 16 YEARS IN SAN MATEO COUNTY. I AM PRESIDENT OF SAN MATEO COUNTIE'S FAMILY DAY CARE ASSOCIATION, VICE PRESIDENT OF THE CALIFORNIA FEDERATION AND MEMBERSHIP CHAIR FOR NOR CAL, ANOTHER STATE ASSOCIATION. IN SAN MATEO WE HAVE APPROXIMATELY 350 MEMBERS, OUT OF APPROXIMATELY 500 ACTIVE HOMES. FAMILY DAY CARE IS A SMALL BUSINESS WHERE PROVIDERS GIVE INDIVIDUAL, LOVING, QUALITY CARE IN THEIR HOMES FOR THE CHILDREN OF WORKING PARENTS. PROVIDERS OPEN THEIR HOMES RECOGNIZING THERE IS A NEED FOR SUCH CARE. THE BUILDING BLOCKS OF OUR CHOSEN CAREER ARE LICENSING OR REGISTRATION, NETWORKING IN CITY GROUPS, FAMILY DAY CARE ASSOCIATIONS AND INFORMATION AND REFERRAL NETWORKS. THESE ARE THE SUPPORTS THAT MAKE LONGEVITY IN THIS JOB POSSIBLE.

PARENTS OF NEWBORNS ARE RETURNING TO WORK EARLIER THEN EVER BEFORE, FLOODING THE CHILD CARE MARKET WITH BABIES 6 WEEKS AND UP, WHO REQUIRE WARM, LOVING AND INDIVIDUAL CARE. A CHILD IS CATAGORIZED INFANT UNTIL TWO YEARS OF AGE. AN IMMEDIATE SOLUTION TO THIS UNMET NEED WOULD BE REDUCING THE INFANT CATAGORY (IN FAMILY DAY CARE) TO 18 MONTHS AND ADJUSTING THE INFANT RATIO IN LARGE CAPCITY HOMES, THIS WOULD RESULT IN OPENING UP 33% MORE INFANT POSITIONS. THIS IS A POLICY CHANGE WITHIN OUR STATE REGULATIONS, NOT A STATUTORY CHANGE. IT WOULD HAVE NO FISCAL IMPACT UPON TAX PAYERS, AND THE INCREASED AVAILABILITY COULD REDUCE INFANT CARE COSTS.

SUBSIDIES ARE AVAILABLE TO THE VERY POOR (SOMETIMES), BUT FREQUENTLY THE WORKING CLASS WORK JUST TO PAY FOR CHILD CARE, HOUSING AND FOOD.

SICK CHILD CARE ALSO NEEDS TO BE ADDRESSED. PARENTS IN THE LABOR FORCE AND EMPLOYERS SPEND COUNTLESS DOLLARS ON SICK LEAVE OR UNPAID PERSONAL TIME OFF, DUE TO THIER CHILDREN"S NORMAL ILLNESS'. THIS RESULTS TOO

FREQUENTLY IN JOB TERMINATION, ADDING MORE PEOPLE TO THE WELFARE OR PUBLIC ASSISTANCE ROLES. WE AS FAMILY DAY CARE PROVIDERS WOULD LIKE TO OFFER AS A SOLUTION--THE CARE OF SICK CHILDREN. FLEXIBLE WORK SCHEDULES AND RESTRUCTURED 'SICKTIME' NEED TO BE ADDRESSED BY EMPLOYERS.

ACCROSS OUR NATION CITIES ARE MAKING IT INCREASING DIFFICULT TO OPERATE A LARGE FAMILY DAY CARE. WE NEED TO ESTABLISH A NATIONAL EXEMPTION FOR THIS TO BE CONSIDERED A RESIDENTIAL USAGE OF THE FAMILY HOME. CHILDREN BELONG IN THEIR NEIGHBORHOOD SCHOOL DISTRICTS.

PROVIDERS NEED INCREASED EDUCATIONAL OPPORTUNITIES IN C.P.R., FIRST AID, SICK CARE, BUSINESS PRACTICES, STRESS REDUCTION, CAREER PLANNING AND DEALING WITH SPECIAL NEEDS CHILDREN. THESE OPPORTUNITIES NEED TO CONTINUE TO BE TAX DEDUCTIBLE TO FURTHER ENCOURAGE USAGE AND IMPROVEMENT. IRS AUDITORS ARE CONTINUALLY IGNORING FEDERAL TAX CODES, THAT GRANT EXEMPTION OF HOME USAGE IN FAMILY DAY CARE. THIS LEGITIMATE TAX DEDUCTION IS ONE OF THE VERY FEW PERKS TO WHICH WE ARE ENTITLED. WE PROPOSE THE IRS MUST INSTRUCT THEIR AUDITORS IN STRONGER COMPLIANCE WITH THESE UNIQUE LAWS.

NATIONWIDE INSURANCE NEEDS TO BE READILY AVAILABLE. COVERAGE FOR PROFESSIONAL LIABILITY, FOR AUTOMOBILE, FOR HOMEOWNERS, FOR HEALTH INSURANCE, AS WELL AS RETIREMENT FUNDS AND DISABILITY REPLACEMENT INCOME BENEFITS NEED TO BE ACCESSIBLE AT A REASONABLE RATE.

AIRPORT PERSONNEL REQUIRE 24 HOUR CARE AND FLEXIBLE SCHEDULING. THE AIRPORT COALITION PROJECT WAS DRAFTED USING FAMILY DAY CARE PROVIDERS AS THEIR PRIMARY SOURCE OF CHILD CARE. RECOGNIZING THEIR SPECIAL NEEDS, WE CANNOT IGNORE OUR OWN NEEDS TO MAINTAIN OUR INDEPENDENT BUSINESS STATUS, FREE OF RESTRICTIVE CONTRACTS OR AGREEMENTS.

LICENSING IS A NECESSARY TOOL UPON WHICH WE NEED TO BUILD AND IMPROVE. ONE EXAMPLE WOULD BE FOR LICENSING EVALUATORS TO BE MANDATED TO USE FAMILY DAY CARE PROVIDERS FOR ANNUAL INSERVICE TRAINING PROGRAMS.

SAN MATEO IS A FAIRLY AFLUENT COUNTY, THE REST OF OUR COUNTRY IS NOT NECESSARILY SO BLESSED. RATES FOR CHILD CARE CAN BE ANYWHERE FROM $25. TO $50. PER WEEK, AVERAGING A 50 to 60 HOUR WEEK, THAT WORKS OUT TO AROUND

83¢ AN HOUR. NOBODY CAN BE EXPECTED TO LIVE AND PROSPER ON 83¢ AN HOUR. EVEN THOUGH WE RECOGNIZE CHILD CARE AS THE SECOND HIGHEST EXPENSE OF WORKING PARENTS, NEXT TO HOUSING COSTS WE ARE STILL WELL BELOW THE MINIMUM WAGE. WE HAVE NO BENEFITS. WE MUST DEMAND THAT THE PRESIDENT'S BUDGET CUTTERS STOP TRYING TO CANCEL THE CHILD CARE FOOD PROGRAM WITH EACH NEW BUDGET YEAR. SOMETIMES THAT SMALL ADDITIONAL INCOME CAN BE THE DIFFERENCE BETWEEN MAKE OR BREAK IN FAMILY DAY CARE.

FLEXIBLE BENEFITS WITH CHILD CARE VOUCHERS AS AN OPTION SHOULD BE AVAILALBE THRU EMPLOYERS.

NATIONWIDE THERE IS INSUFFICIENT INFANT CARE POSITIONS, PARENTS JEOPARDIZE THEIR JOBS WITH 'SICK TIME LIES', ZONING IS IMPOSSIBLE AND BECOMING WORSE, EDUCATION OPPORTUNITIES NEED TO BE ENCOURAGED, AND INSURANCE NEEDS TO BE READILY AVAILABLE, PARENTS SPECIAL JOB DEMANDS NEED TO BE DEALT WITH FAIRLY AND LICENSING AND ADEQUATE WAGES MUST BE IMPROVED UPON.

PROVIDERS NETWORK WITH EACH OTHER FOR SUPPORT AND STRESS REDUCTION. THESE PROVIDERS BELONG TO THEIR LOCAL, STATE AND NATIONAL ASSOCIATIONS IN ORDER TO BE KEPT AWARE OF CURRENT ISSUES RELEVANT TO THE PROFESSION. THESE PROVIDERS MAINTAIN THEIR PROFESSIONALISM BY LOOKING FOR ON-GOING EDUCATION AND AWARENESS OPPORTUNITIES. LOVING THE CHILDREN IS IMPORTANT, PATIENCE IS MANDATORY, GOOD BUSINESS PRACTICES REQUIRED IF YOU HOPE TO BE SUCCESSFUL. WE NEED TO DAILY ADDRESS EACH CHILD'S INDIVIDUALITY, RESPECT THE FAMILIES CULTURAL DIVERSITY AND COMPLY WITH LOCAL AND STATE REGULATION, AS WELL AS BEING WILLING TO WORK TOWARDS MAKING CHANGES WHEN NECESSARY. ALL OF THESE THINGS GO INTO THE MAKING OF A QUALITY FAMILY DAY CARE PROVIDER.

FAMILY DAY CARE IS THE MOST VALUABLE AND MAJOR CHILD CARE RESOURCE IN OUR COUNTRY. IN OUR HANDS WE IN PARTNERSHIP WITH THE PARENTS AND LABOR SHAPE AND MOLD THE CHILDREN WHO WILL GUIDE THIS COUNTRY'S FUTURE. WE AS PROVIDERS SUPPLY LOVE, STRENGHT, STRUCTURE, FREEDOM, COUNSELING, SUPPORT AND GUIDANCE TO THE CHILDREN AND THEIR PARENTS.

ISN'T IT TIME WE ACKNOWLEDGE THIS INCREDIBLE RESOURCE OF INDEPENDENT SMALL BUSINESS OPERATORS, OUR COUNTRY COULD NOT FUNCTION WITHOUT US. THEREFORE

WE NEED TO WORK IN PARTNERSHIP WITH PARENTS, LABOR, BIG BUSINESS AND THE GOVERNMENT TO ACCOMPLISH ALL OF THE ABOVE AND MAXIMIZE OUR COUNTRIES' OPPORTUNITIES.

AS THE FAMILY DAY CARE REPRESENTATIVE I WOULD LIKE TO THANK YOU FOR INCLUDING US IN THE HEARINGS, AND WE LOOK FORWARD TO BEING INCLUDED IN FUTURE ACTIVITIES.

I AND MY BOARD INVITE YOU TO VISIT FIRST HAND OUR FAMILY DAY CARE HOMES.

Presented by Mary Ann Coulson

Drafted by Mary Ann Coulson
Jackie Slade
Dick Slade
Barbara McMillen
Judy D'India
Diana Walter

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

NADES
FAMILY CHILD CARE
3048 Arguello Drive
Burlingame, Ca 94010
Jackie & Dick Slade
415 - 692-2564

page one of two

TESTIMONY OF WILLIAM RICHARD SLADE DAY CARE PROVIDER

QUESTION
Has your Family Day Care had any problems with Government agencies.

ANSWER
Yes, we have been under Audit by the IRS for three years for our 1983 Income Tax and it is still going on. Now they want to go into 1984 taxes for the same reasons. They are trying to determine what portion of the house is used for Family Day Care Purposes. We have informed them in our Family Day Care Home all of the House is utilized as witnessed by the Auditor on His home visit and he saw no restrictions. The Auditor came with our Tax Consultant to our Home because we could not leave the Children in our Care. The time use factor is determined by the attendance log we maintain. We have refereed to the Tax Law Section 280 (A) (c) (4) but, there has not been any acknowledgement of this Law by the IRS.

Attached is a chronological set of Copies of the correspondence which demonstrates the complete disregard to our explanations.

QUESTION
Is there any other area the Government could help the Family Day Care Industry.

ANSWER
Yes. Health Insurance, retirement & Disability Insurance & Automobile Insurance to transport Children to and From School in After School Programs. As well as our Liability Insurance. We must negotiate each of these as an individual which does not allow us to have any bargaining power. Therefore, we must pay the highest rates and obtain the least amount of Coverage. This is important for Family Day Care Homes where the business is the only source of income.

QUESTION
How can Government help Family Day Care to Survive.

ANSWER
Family Day Care Homes are often put in as a by product of other Child care facilities for example. Centers, Disabled Care Homes, Foster Care Homes. WHAT FAMILY DAY CARE NEEDS IS TO BE REGULATED AS A SEPARATE BODY AND HAVE REGULATIONS THAT ONLY DEAL WITH FAMILY DAY CARE HOMES. We provide a home like atmosphere, for the Love and Caring of Young Children of working Parents and Tax Payers who maintain good productive jobs.

NADES
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QUESTION
What the Male role is in Family Day Care Homes.

ANSWER
Basically the same as any male member of a household with the only difference they are in attendance at all times every day and to the children every day is a Saturday and Sunday when the male is usually at home. A Male in the Family Day Care gives the opportunity for the Children to learn what a Male role can be. And that is a Male Provider can hold, love & feel emotions, little children can have in a day to day situation such things a as hurt knee, scraped elbows etc, They learn that toys can be fixed, and lawns need mowing, they learn males can cook, feed them, hold them, change diapers, discipline, take them to the store, go for walks, and give kisses when needed, along with lots of upie's. A male also can show them that another male figure besides Dad and Grandpa Has love for Them. As a Male Provider in a Family Day Care Home I have found by my being present the children we care for seem to all be very close to their fathers and they learn it is not an all female world for little people.

QUESTION
The Rewards for Being a Male Family Day Care Provider

ANSWER
These are hard to identify how can you measure the feeling when you are greeted like a long lost friend or when a small boy runs to you for support, or bring a broken toy for you to fix. These are invaluable rewards for your efforts.

In conclusion I hope that you will look to Family Day Care as a Loving and Caring business one of which I would like to promote and make it so for all Parents and Children with your help.

PLEASE CONSIDER THE ISSUES OF

1. Lowering the Infant Age Limit to 18 Months
2. Change the Ratio for the Large Family Day Care to be 6 Infants.

All of this will help open up slots for the Infants and Parents who need and want quality care in This the Greatest Country in the World.

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page one of two

TESTIMONY OF JACKIE SLADE FAMILY DAY CARE PROVIDER

QUESTION
What would be the Immediate solution to infant shortage in Family Day Care Homes.

ANSWER
An immediate solution one that could be changed by policy and that is not a regulation is INFANT DEFINITION 102352 Paragraph (j) "Infant" means a child who has not yet reached his or her second birthday.

CHANGE TO
"Infant" means a child 18 months.

WHAT SOLUTION IT WILL SOLVE
It would open immediately slots for infants under 18 months.

REASON
Most Family Day Care Homes, are filled to the maximum of Infants but have difficulty filling vacancies for 2 years & older because this age group then goes to preschool for higher educational activities.
By lowering the infant age definition to 18 months would create vacancies sooner for Infants. Which is what the community of working parents need as expressed in statistics from R&R's and from Provider meeting's and Associations through out the State of California, and from Parents who can not fill these needs.

No impact on tax payers.

QUESTION
What would be another solution to infant shortage in Family Day Care.

ANSWER
Another immediate solution that would be a policy change and not a regulation would be STAFFING RATIO AND CAPACITY 10241o.5 Paragraph (b) now states the maximum number of children including the licensee's and assistant provider's own children under age 12, for whom care shall be provided when there is an assistant provider in the home shall be twelve children, no more than four infants. This is in regard to Large Family Day Care home who's capacity is 12 children and two providers. As compared to small home licensed for 6 children no more than 3 infants with one Provider. The ratio is not equal, Small Family Day Care to a Large Family Day Care Home.

CHANGE TO
All you would have to do is Change the Last nine words of PARAGRAPH (b) to read: NO MORE THAN SIX OF WHOM MAY BE INFANTS.

WHAT SOLUTION IT WILL SOLVE
It would immediately open up slots for Infants in Large Family Day Care Homes.

REASON
Would create vacancies for Infants. Which is what the Working Parents need and want. It would be a now solution and would not be a regulation change just a policy change.

No impact on the Tax Payers.

page two of two

QUESTION
24 hour care (like airport coalition wants.) We also feel that Contracts Such as the Coalition wants us to sign takes away our independent business. We sign no other contracts and see no need for one when we get the same services and give the same services with the Resource and Referral Service.

ANSWER
Need to be able to care for children whose parents fly on overnight trips.

CHANGE TO
Make regulations that providers can care on a 24 hour basis.

WHAT SOLUTION IT WILL SOLVE
Provide for Children of parents who need to be away from home more than 23 hours.

Attachments enclosed Petitions of parents who want to see ages lowered and ratio changed. It took us 10 days to gather these many signatures. We could do more if we had the time. The parents and Tax Payers want this change and need these changes right now. The need is now not six months or years down the road.

Attachments enclosed are suggested changes we sent to Fred Miller Deputy Director of Community Care Licensing for the State of California. As of this date we have not received answers to our letters. We have received confirmation by telephone that these changes are not regulations and could be changed by policy, but as of yet we still have had no answers as to when we can have these changes to relieve the pressure of the Family Day Care Provider and the Parents on Infant Slots availability.
It appears to us who do Family Day Care that changes can come about quickly when Government wants them, but not when we the People and consumers need them.
When I speak of us, I mean the San Mateo County Family Day Care Providers Association of which I am Vice President.

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
BILL GRANT, FLORIDA
TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
JOHN L. EVS, ARIZONA
ERNEST L. KONNYU, CALIFORNIA
226-6751

ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

October 14, 1987

Ms. Mary Ann Coulson
1403 Virginia Avenue
Redwood City, CA 94061

Dear Ms. Coulson:

Based on your testimony at the recent Subcommittee hearing on child care, a meeting was held last week with officials of the Internal Revenue Service to discuss IRS examinations of day care providers' tax returns. According to IRS officials, there is absolutely no special focus or selections of day care providers' returns for audits either in California or elsewhere. Such audits are routine, resulting from various characteristics of the returns. Apparently the automatic review screens out day care businesses no more frequently than other home-based business returns.

The IRS officials recognized the practical problems facing day care providers when they attempt to segregate food, supplies, and use of space attributable to the business from that devoted to personal use. They described methods they use to "reconstruct" correct deductions when taxpayers' records are incomplete. Concerning education expenses such as you described, they assert that they are clearly deductible. We recommended that IRS prepare a publication aimed specifically at family day care providers which would be more helpful to them than the existing general guide on business expenses. They have promised to give this suggestion careful consideration.

The IRS maintains a Taxpayers Service Program which is available not only to answer individual inquiries, but to provide speakers for group meetings. I suggest that you contact the Internal Revenue Service, Attention: Problem Resolution Officer, 450 Golden Gate Avenue, Stop 4-1-25, San Francisco, CA 94102, (415) 556-5702, to arrange for a speaker for your association.

Please let me know if there is anything else I can do to be of assistance to you and your organization.

Sincerely,

Tom Lantos

TOM LANTOS
Chairman

Mr. LANTOS. Mary Ann Coulson, I am very grateful for your comments, and before I say other things, let me just mention publicly that your very fine statement was drafted by you, assisted by Jackie Slade, Dick Slade, Barbara McMillan, Judy Dindia, and Diana Walter. Are any of them here?

Ms. COULSON. Yes.

Mr. LANTOS. Very good. Well, we are very grateful for your help and support and we appreciate it, and let me say to you, before we get into the questioning, that some of us do consider family day care providers as a tremendous national asset, and we want to work with you and give you all possible help because you are performing an enormous invaluable function. We are very grateful to you.

The last person on this panel is Deborah Trimble, president, Menlo Survey Day Care Center, and it is a unique operation. I read your testimony with great interest and look forward to hearing from you.

STATEMENT OF DEBORAH A. TRIMBLE, PRESIDENT, MENLO SURVEY DAY CARE CENTER

Ms. TRIMBLE. Well, I would like to thank you for having me here, first, and I would like to go over the efforts that we made as employees of the Federal Government and parents to establish an onsite day care center and also to summarize what I think would be helpful in future efforts to do what we have accomplished and hope will be successful.

I am currently the president of the board of directors of the Menlo Survey Day Care Center. We call ourselves Geokids because we are a group of scientists and scientific support people that have established this day care center, geologists in particular, and the primary mover in the effort to establish an onsite care center in the U.S. Geological Survey (USGS) in Menlo Park, CA.

We are currently, to the best of my knowledge, the only onsite day care center in the county of San Mateo, and the first day care center for the USGS and possibly for the Department of the Interior.

My interest in child care grew from a personal need to a crusade for all parents with a similar need. When I started the effort to establish an onsite day care center, I had no idea what I was getting myself into. My efforts started about 4 years ago when I was pregnant with my first child. I now have two children. I was aware of previous attempts to establish day care for children of the employees of the USGS, and these had all ended in failure.

The first step that I took was to approach the Federal Women's Program Advisory Committee. This group spearheaded the previous attempts and I felt it was a natural place to start. At first, the reception I received was cautious, but I was able to persuade them to sponsor another attempt to establish a day care center.

At this point, I started to receive some resistance from management. The local USGS management was concerned that any inquiries into possible child care for employees would raise false hopes. They believed that it would take an act of Congress to allow the

USGS to establish a day care center and that it would be contrary to the stated mission of the USGS.

Undaunted, I formed a subcommittee of the Federal Women's Program and began the process of gathering data on the day care needs of employees of the USGS. The results showed that the expense and scarcity of quality day care was of great concern to pregnant and prospective parents at the USGS. The needs of the USGS employees and the benefits that an onsite day care center could provide convinced management to allow us to formulate and submit a formal proposal.

I realized the success of this effort would depend on a well-documented proposal. The proposal took over a year to research and write and required the dedication of an expanded group of employees. The results were a blueprint for the establishment of an onsite cooperative day care center operated independently from the Federal Government.

Our proposal was given enthusiastic support by the USGS management in Menlo Park. Then, in December 1985, Public Law 99-190 authorized space and expenditure of funds for onsite day care centers on Federal facilities removed the last remaining roadblock.

This law requires that 50 percent of the children cared for be the children of Federal employees and that priority be given to Federal employees on waiting lists. It was determined that language in the USGS appropriation bill allowed funds to be spent on the day care center. However, the severe space problem in the main campus of the USGS made the prospects of getting space bleak.

At this point, we started investigating the acquisition of our own building. The USGS gave us the use of a corner of an existing parking lot with a strip of undeveloped land along one side. This became the site for a building and playground. The USGS agreed to pay the installation of utilities to the site and the long-term utility bills, electricity, phone, water, etc.

We designed and contracted the construction of a modular building with a local company. We hired a lawyer to assist us in the process of incorporating as a nonprofit organization in the State of California. Fundraising and a bank loan provided the moneys necessary for startup expenses, although we could have used more.

On June 8, 1987, we opened our doors. We will be able to care for 20 infants and toddlers, ages zero to 2½, 24 preschoolers, ages 2½ to 5. Our center is a parent cooperative and, as such, we have parents working in the center as aids to the professional staff.

I would note here that the reason we are able to do this is because our Federal agency has opted for flexible work schedules for its employees. We operate under what is called flexi-credit hours, where employees with supervisor permission are allowed to work on off-hours and gain credit hours so that they can take off time during the regular work day. Our program would not be possible without this.

There are many advantages to this type of a program, not the least of which is the cost effectiveness. We can keep the costs down by using parents as staff.

Children obtain an added sense of security by seeing their parents during the day and as was noted earlier, mothers of small in-

fants can breast feed on demand with no problems of reaching their children.

This situation gives parents a chance to see their children in a setting other than the home and to see how they interact with their peers. Parents stay involved with the day-to-day operation of the center and learn how to be better parents from a professional staff.

Our day care center is something that the USGS takes pride in. It is a statement of the dedication of a group of parents and concerned employees and their desire to make a better place, not only for their children, but for the community.

The availability of affordable quality care is a critical concern to any working parent. Financial constraints often force families to settle for less than satisfactory situations. It is especially true for single parent families. Some of the problems could be overcome with more involvement of employers in the day care arena.

It is not necessary for employers to pay for everything. Day care centers can be self-supporting. However, assistance in the form of providing startup expenses and space are critical to making onsite day care centers a reality.

For example, if our building were being provided by the USGS, it would allow 18 percent of our annual budget to be freed for salary increases for our staff, for fee stability to our parents, and for additional activities for the children.

There have been many studies on the benefits of employer sponsored day care. Decreases in absenteeism, reduction in the length of maternity leave, increased productivity, and overall increases in morale are just a few of these. Quality day care is expensive but essential. The resources and innovative ideas of both business and government will be necessary to solve the complex problems posed by the needs for quality day care in today's economic environment.

Thank you.

[The prepared statement of Ms. Trimble follows:]

Statement of Deborah Ann Trimble, President,
Menlo Survey Daycare Center for Sept. 11, 1987 Hearing

Let me start by thanking you for inviting me to testify before this subcommittee. Childcare is a growing concern to both parents and non-parents. My interest in childcare grew from personnal need to a crusade for all parents with similar needs to my own. When I started the efforts to establish an on-site daycare center at the U.S. Geological Survey (USGS) I had no idea what I was getting myself into. My efforts started about 4 years ago when I was pregnant with my first child. I was aware of at least one previous attempt to establish daycare for children of USGS employees but was unaware of the outcome of the inquiries. My first step was to approach the Federal Women's Advisory Committee (FWPAC). This group spearheaded the previous attempt and I felt it was the natural place to start. The reception was cautious at first but I was able to convince them to allow me to try. It was at this point I started to receive some resistance from management. The local management at the USGS at that time was concerned that any inquiries into possible childcare for employees would get hopes up for something that was not possible to do. I was told that it would take an act of Congress to allow the USGS to establish a daycare center, that it was contrary to the stated mission of the USGS. All in all the news was somewhat discouraging. This however did not stop me in my efforts and I formed a subcommittee to the FWPAC and began the process of gathering information on the needs of employees at the USGS. The results of our preliminary survey convinced enough of the managers that we were allowed to proceed to the next step, formulating a formal proposal. This effort took 2 years and the dedications of a group of employees. What we ended up with was a blueprint for an on-site co-operative daycare center operated independently from the federal government.

In December of 1985 PL-99-190 was signed by the President and clear the last remaining stumbling block we were facing, authorization for space and expenditure of funds for on-site daycare centers. The Field Solicitor was contacted for an opinion on the language found in the USGS appropriation bill to determine if funds could be spent on the daycare center. We received a favorable ruling from the solicitor and started in earnest to establish the center. Our biggest obstacle was space. There is a severe space problem on the main campus of the USGS and so the prospects of getting space were bleak. At this point we started investigating the acquisition of our own building. The USGS gave us the use of a corner of an existing parking lot that has a strip of undeveloped land along one side. This became the site for our building and playground. We then contacted several modular building manufactures and settle on Mobile Modular Management Corp to supply our building. The USGS agreed to pay for the installation of the utilities to the site and the long term utility bill (electricity, phone, water, etc.). Once we got the permission form the USGS to proceed things started to accelerate. We hired a lawyer to begin the process of incorporating as a non-profit in the State of California we began fund raising and started the process of finding a bank to back our venture.

On June 8, 1987 we opened our doors. We will be able to care for 20 infants and toddlers ages 0 to 2 1/2 and 24 pre-schoolers ages 2 1/2 to 5. Our center is a parent co-operative and as such we have parents working in the center as aids. There are many advantages to

this type of program not the least of which is keeping the cost of daycare down. Child are able to see their parents during the day for an added since of security. Parents stay involve with the day-to-day operation of the center which eliminated most of those unwanted surprises. In addition it gives parents a chance to see their children in a setting other than home, to see how they interact with their peers and to learn from the professional staff how to be better parents.

Quality childcare has become one of the burning issues facing working parents. Quality daycare is expensive. Families facing this problem often have to settle for less than satisfactory situations because of financial constraints, this is especially true of single parent families. Some of this problem can be overcome with more involvement of employers in the daycare arena. It is not necessary for employers to pay for everything. Assistance in start-up expenses and space would go along way toward making on-site daycare centers a reality. If our space were being paid for by the USGS it would mean that 18 percent of our annual budget could be freed to pay of additional activities for the children, salary increases for the staff, and the elimination of the need to increase fees any higher than they already are.

There have been many studies on the benefits of daycare for the employer. Many of these benefits do not apply to the federal government but decreases in absentism, reduction in the length of maternity leave, increased productivity, and overall increase in moral do effect many federal agencies. As I stated before daycare is expensive especially if the program you are putting together is a quality program, but face it we are talking about the future not something that will go away if you ignore it. Our daycare center is something that the USGS takes pride in, it is a statement of the dedication of a group of parents and concerned employees and their desire to make a better place for not only the children but the community.

Thank you

Mr. LANTOS. Thank you very, very much. Very impressive program and certainly will be one of the programs that I intend to submit to the Congressional Women's Caucus contest for the most creative program in the country. [Applause.]

Ms. TRIMBLE. In addition, we would invite anybody to come and visit our facility. We are very proud of it.

Mr. LANTOS. I will definitely do so. I look forward to the visit.

Let me first say a word to Ms. King and Ms. Long. I am deeply moved by your testimony, as I suspect all of us are. I am going to ask you, if you are willing, to meet with Dr. Edna Mitchell of my staff to see if we can be of some specific assistance, and we are going to do our level best to do whatever is within our power.

Ms. KING. Thank you.

Mr. LANTOS. I thank you for coming here.

Mary Ann, I have a number of questions that I have because you are presenting problems that, in a sense, are manageable with our congressional power.

In your comments on the Internal Revenue Service——

Ms. COULSON. Yes.

Mr. LANTOS [continuing]. Are you—I want to be sure I understand what you are saying.

Are you recommending changes in existing tax laws or are you merely suggesting that we use our influence to see to it that the IRS auditors understand the laws and enforce them properly in relation to your business?

Ms. COULSON. Precisely.

Mr. LANTOS. The latter?

Ms. COULSON. We have got three homes that are being audited currently which take home usage as part of their deductions and are going to 1-, 2-, and 3-year audits over the same issue. They do not want to acknowledge it, even though they have been shown and given the law, the knowledge is in the books, it is accurate, and, yet——

Mr. LANTOS. Well, let me say this to you and we clearly have not discussed it with my friend and colleague, who is more knowledgeable in this field than I am, but I will have the Commissioner of the Internal Revenue Service to my office within the very near future and by that, I mean, within the next couple of weeks. I hope my good friend, Congressman DioGuardi, will join me.

We will be your champions because it seems to me that to harass these many businesses—and you are more than a business, you are a community asset—on this issue is preposterous. You should be left alone so you can devote your time and energy to taking care of the children and not fight the IRS.

Ms. COULSON. Thank you.

Mr. LANTOS. At a time when some of the largest corporations in the country are not paying a dime in taxes, IRS should not be tying family operations like yours up or causing them a lot of trouble.

Are you encountering, I do not mean you personally, but your kind of operations, more zoning problems now than before?

Ms. COULSON. Increasingly more.

Mr. LANTOS. And what is the explanation for that?

Ms. COULSON. The zoning officials do not offer one. I mean, zoning seems to be a very arbitrary, you know—if they do not like

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family day care, they do not like children. Belmont, in particular, our city next door, had a zoning issue for a large family home and it was a 200-foot variance, I believe. Two weeks ago, they moved that to 1,200-feet, six times that distance. That means that anybody within that radius, which could be two blocks, can veto your home, so that you could not operate as a large family day care home.

The large homes take a great percentage of the latchkey children. They appeal to the older school-age child, and if you cannot operate that in your neighborhood district, where are those children going to go? We know a lot of them we cannot service, we do not have enough spaces.

Mr. LANTOS. As I understand it, the small home is defined as six children or less and the large home is——

Ms. COULSON. Seven to 12.

Mr. LANTOS [continuing]. Seven to 12. Are most of the zoning problems as far as you know related to the large?

Ms. COULSON. Yes. With the large homes. California established a zoning protection law for small family day care homes, making it residential usage of property for the small home, but we did not get that protection for the large home.

Mr. LANTOS. All right. Ms. Trimble, have you written up your experience in a publication? Would you be willing to do so? Because I think what you have done at Menlo Park with the U.S. Geological Survey is a model for all federal agencies.

I think the subcommittee would be very happy to see to it that it is distributed nationwide.

Ms. TRIMBLE. We have not formulated a history at this point. We have bits and pieces of it. I must admit our main energy has been in acquiring the necessary space and opening the day care center.

Mr. LANTOS. Well, obviously. Let me—one sentence that you have in your comments intrigued me. You make the point that you felt you had to have a very well-prepared project for it to fly, and then you worked on it for a year with a lot of good people. Then you presented the project, and the management was very enthusiastic about it.

Ms. TRIMBLE. Yes.

Mr. LANTOS. What would have happened had they been sour on it?

Ms. TRIMBLE. I probably still would have been beating my head against the wall trying. I used to joke that my two boys would be in college. I have one that is 3½ years old in the center now. He is my oldest.

Several things happened at that time. If our main administrator had been the same person, we would not be proceeding, we would not have proceeded this rapidly. We did get some new influx of management at the USGS at that time, who was very sympathetic to our cause and has championed our cause for us, or I think I would still be trying to convince management.

Mr. LANTOS. Because it seems to me that in an operation such as yours, that sympathetic management is really an absolutely indispensable ingredient, that you have got to have someone on the management side, who is on your side.

Ms. TRIMBLE. Absolutely.

Mr. LANTOS. Because otherwise the thing does not work. It is easy to throw up 50 blocks and obstacles.

Ms. TRIMBLE. When we got local support, it was so complete. Remembering that we are a scientific organization, our appeal had to be on a nonemotional scientific basis. We had scientists working on our proposal, the bulk of our people are scientists, who championed this cause, nonparents and grandparents included in that group, and that is why we put so much effort into the research.

Our goal was to answer every conceivable question that they could ask us without them having to ask it, and by doing that, they realized that we were not a group of hysterical parents wanting the Government to pay for everything, that we realized that we were going to have to do this on our own, but all we wanted was their assistance, the best they could give us, and at that time, we were not expecting anything.

As I stated, we would like to have our building paid for and we are currently seeking an IRS status as a nonprofit. We have been waiting for 4 months now for the letter back from the IRS.

Mr. LANTOS. Send me your correspondence. We will get you your status.

Ms. TRIMBLE. I will be glad to.

Mr. LANTOS. Your Congressman is willing to see to it that you get it.

Ms. TRIMBLE. We went to private foundations for money to buy our building.

Mr. LANTOS. IRS probably cannot answer your letter because they are busy auditing the day care providers.

Ms. TRIMBLE. That is right. As has been stated many times, the plight of the day care provider. We desperately want to be able to give our staff more money.

Mr. LANTOS. Sure, sure.

Ms. TRIMBLE. It is one of our highest priorities and we are constantly looking at ways to cut our fixed expenses so that we can do just that, so we can keep quality people. It is very, very difficult to hire staff. It is not there. They are leaving the profession because of the low pay.

Mr. LANTOS. Yes.

Ms. TRIMBLE. And they are, in essence, subsidizing the day care programs.

Mr. LANTOS. All right. Well, let me turn it over to my friend, Congressman DioGuardi.

Mr. DIOGUARDI. Thank you.

I was very moved by your testimony, Ms. King and Ms. Long. You know, we tend to get distracted by so many stupid things in life, we forget about the basic needs and decisions that people face, and your testimony was very valuable to bring us concrete examples as to decisions that no one should have to make and, yet, I guess you are just a very—well, there is a big number of people out there that you represent and it is important for us to know these details so that we can be moved enough to go back and kind of drop everything to see if we can do something about it.

I certainly will join with Chairman Lantos to see whether or not there is something we can do. As far as the IRS is concerned, I had to deal with them for 22 years as a professional. In fact, I was a tax

partner at Arthur Andersen, so I know the frustrations that you face, but it is nice being on this side of the table because they have to look to Congress for their funding. When you call, they usually answer.

I think I certainly will join with Congressman Lantos when the Commissioner comes over, because I think we have got to—it is certain that we have got to keep the IRS from interfering with private enterprise, especially where people are trying to help people, and there are so many other things that they can do with their time right now. I cannot imagine that they would spend their time on this once we put things in the proper perspective for them.

The thing that strikes me is while we need to get the Federal Government to focus on this issue even more, an institutional approach is never going to work by the families when it comes to kids. So, the Federal Government is not the answer here. It is part of a much broader solution which has to be human, has to be creative.

When I think about my college days, I read a book by Alexis DeToqueville called Democracy in America. He came here as a Frenchman trying to figure out what made America so great as a country. Here it was not even a hundred years old and he was amazed that when he went into the countryside, into the neighborhoods, that when there were problems, neighbors quickly surrounded their neighbors that had these problems and there was a committee that was set up and this really was the forerunner of the private philanthropy we have today, and voluntarism is still a very big part of our society.

Last year, some $90 billion in charitable contributions were made, 85 percent of them by individuals. So, we still are a society that values people, but I think what we have here today is a problem that is kind of we are no longer small neighborhoods and people do not realize the problems that you face. Maybe some of your immediate neighbors might, but society as a whole, which is really a big family, needs to have a much better information system so that they can see themselves again as those neighbors did back over a hundred years ago, when America was much smaller, and we could attend to each other's needs.

I just think of today, what we are trying to do as a society, and we all mean well, here we are trying to care for the elderly, we are trying to care for the young in day care centers, and somehow we have to do a better job in melding the intergenerational links.

In my own district, we have a tremendously large senior citizen population with their own problems and, yet, they are lonely. I know that many of them would find the time to care for the kids of other families if somehow we could facilitate that, and I do not have the answer, but right within this country today, we have the human resources to handle it.

There are other societies that do a better job than we do. I look to the Japanese where I know the younger ones go out to work, the grandparents are right there, they are already integrated into the family system. Somehow in our society, we have cut the grandparents away from the rest of the family.

I am not saying that we have to do this on a family basis, but you have got a whole pool of experienced, loving, sensitive people

that are lonely, they are elder citizens, that many of whom do not have their own families any more, that would be glad to do this if we could find some way to facilitate it and give them the incentives and the motivation. I guess they already have the motivation. They do not know how to do it.

So, somehow, Mr. Chairman, we have got to find some creative solution here that mobilizes the tremendous human resources we have in this country that is not being used right now because somehow we have not made the proper bridges or have not given the proper information or maybe there are more incentives that have to be created. I do not know, but this meeting is very valuable to point us in a direction that comes up with that solution, that cannot be an institutional solution, has to be a human solution, mobilizing the resources that are already there.

I hope that you and I can work on this to see if we can build these bridges to make society work better and that is what we are talking about. In the meantime, we are going to try to help with Chairman Lantos in dealing with your problems as well, the problems you face, because they are just too much for anybody to bear and I appreciate that.

Ms. KING. Chairman Lantos, I did want to mention——

Mr. LANTOS. Please, please.

Ms. KING [continuing]. That statement that Patricia Long ended with, saying that she was all alone here, she had no family in California and it was just her and her children, that is really a powerful statement. Maybe it does not affect people if they have not been through it, but the fact that you are alone is a terrifying feeling.

I am sure—is that the way you feel?

Ms. LONG. Yes. My whole family lives in Connecticut. They moved out here. My dad had remarried and he brought all of his children out here to California. I had met my husband and married out here and then they decided to all move back. So, I was left out here in California. So, I have no relatives here and with no money, I could not possibly move back to Connecticut anyway and since my ex does have the right to see his children, I do not think legally I can take the children to the east coast even if I wanted to.

Mr. LANTOS. Well, let me say, some might have thought that the marvelous testimony of Lynn Redgrave was the highlight of this day's hearings, but I think the testimony we heard in the last few minutes probably is the most substantive and the most critical.

So, let me just say again how grateful we are to all four of you. Ms. Long and Ms. King, Dr. Mitchell will be very happy to see you and see how we can be of help.

Mary Ann Coulson, I will carry your message to Commissioner of the Internal Revenue Service with Congressman DioGuardi, and we will fight your battle with them. I look forward to visiting your home.

Ms. COULSON. Thank you.

Mr. LANTOS. And we look forward to meeting with your board, with as many of your members as possible, because you are a great asset, and let me say, Ms. Trimble, that my wife and I look forward to coming down to see Geokids in action and——

Ms. TRIMBLE. Love to have you.

Mr. LANTOS [continuing]. We encourage you to write up your experience because I think you can do a service to other Federal agencies.

I want to thank all of you for coming. [Applause.]

[Ms. Trimble's responses to additional subcommittee questions follow:]

Menlo Survey Daycare Center, Inc.
345 Middlefield Rd. MS 204
Menlo Park, CA 94025
(415) 329-4234

14 January 1988

Tom Lantos
Chairman, Employment and Housing Subcommittee
Congress of the United States
House of Representatives
Rayburn House Office Building, Room B-349-A
Washington, DC 20515

Dear Congressman Lantos:

This is in response to the questions you ask for addition into the record of the Employment and Housing Subcommittee hearing.

1. Do you believe that daycare programs on Federal space, authorized by P.L. 99-190, should be limited to Federal employees' children as long as there are such children seeking admission?

   Currently under P.L. 99-190, 50% of the space is reserved for the children of federal employees and priority is given to these children on any waiting list. The answer to the question depends upon the operation of the daycare center.

   If a Federal agency is providing space for the facility but not actually operating the facility, then it is essential that the daycare center be allowed to accept enrollment from outside the federal government. This allows the center to draw from a larger population pool and ensures full enrollment, which often means the difference between financial success and failure. In addition it is advantageous from a tax, grant, and private donation standpoint for daycare centers to operate as non-profit corporations. As such (at least in the State of California) they cannot exclude the public.

   If on the other hand, a Federal agency is giving direct support to the facility, i.e. subsidizing the center's income or operating the center, then limiting the center to Federal employees' children is appropriate.

2. What additional kinds of assistance do you believe the Geological Survey could provide to the Daycare Center under existing laws?

   I believe that under current statutes that the U. S. Geological Survey could provide space for the daycare center. In our case, they could provide space by paying the lease on the building currently housing the daycare center. In addition the U.S.G.S. could provide grounds maintenance.

3. Has the need to commute deterred many parents for enrolling their children in you center?

   To the best of my knowledge commuting has not affected enrollment in the center. Only two families who have indicated that this was a problem.

4. What was the single greatest obstacle that your group had to overcome to realize your dream of an onsite daycare center?

   The biggest obstacle was management acceptance and support of on-site daycare. While some individuals in management positions supported the concept of daycare for children of employees, it was not easy to convince management as a whole, that a daycare center could or should be placed on-site at the U.S.G.S.

Sincerly yours,

Deborah Ann Trimble

Deborah A. Trimble

Mr. LANTOS. Our next panel is Patricia Siegel, executive director, California Child Care Resource and Referral Network; Marcy Whitebook, executive director, Child Care Employee Project; Abby Cohen, Child Care Law Center; and Setsuko Florence Furuike, child care ombudsperson, community care licensing, California Department of Social Services.

We are delighted to have all of you. Your written statements will be entered in the record in their entirety and you may proceed in your own way. I know we will have some questions to ask about specifics.

We begin with you, Ms. Patricia Siegel, executive director, California Child Care Resource and Referral Network.

STATEMENT OF PATRICIA SIEGEL, EXECUTIVE DIRECTOR, CALIFORNIA CHILD CARE RESOURCE AND REFERRAL NETWORK

Ms. SIEGEL. Thank you very much, Congressman Lantos.

It is our pleasure to be here and we certainly salute you and your committee for your interest in child care, and as we were coming in, we were pleased to hear you addressing the senior citizens because I think building those bridges and helping all sectors of the community to understand the importance of child care is very, very important.

I think most people in the audience, perhaps you yourself, are fairly familiar with the services that we provide in Child Care Resource and Referral, but I would like to just reiterate and highlight some of what we are about because while we are extremely proud of our history in providing resource and referral services here in California, we are certainly aware that the great majority of parents in this Nation do not have access to the type of services that we have here.

So, let me just review briefly what is available in California. Certainly, you can be proud to have one of the very finest R&R agencies right here in San Mateo County, and I know that my colleague will be presenting testimony at the very end.

But in California, since 1976, we have had State funding to provide three types of services: To help parents find child care, to document accurately the need for child care and the supply of child care, and to provide a limited amount of State-funded technical assistance to new and existing providers of care.

Now, I think when this program first emerged, then-Governor Jerry Brown was really looking at a way of helping to access child care services for all types of parents in all communities in California. Although the initial State funding only provided services for 11 communities, in 1984, with the legislation authored by Stan Stapen, we were able to round out the State, so that now California has at least one resource and referral agency serving every county of the State.

That is very important because it not only means that parents and providers have access to information and assistance, but it means that policymakers like yourselves, business leaders and the community at large can get a handle or, if you will, a window on the child care needs and supply in their community. We have the opportunity in California to really look at things in a statewide manner.

The network which I am privileged to direct is a private nonprofit organization. We are not a State agency. We emerged in the very beginning of resource and referral because we understood and felt the need to come together and help better improve and render these services.

We are a pioneering State in many ways and certainly in this arena, we are the first State to have State-funded resource and referral. There were no Bibles, there were no textbooks that we could look to to say well, here is the best way to do it. We have really had to look to ourselves to develop the best method of service and in 1980, we formalized what had been an informal network into a formal private nonprofit.

We worked very closely with the State department of education and I believe that Dr. Cervantes testified earlier, but in a sense, I think that we are perhaps better able to serve our constituents and the parents and families they represent by being one step outside government.

Certainly, recently, we have been involved in several special projects, and I would like to highlight those for you because I think that they are issues that you are dealing with at the national level, and particularly I would like to start with our work which has been very intense around welfare reform.

I know that welfare reform is a passion at the national level. California, as you know, has already implemented or begun the implementation of its GAIN program and we have found ourselves in our network and in R&R paying a great deal of attention. We believe, in resource and referral, that parents who participate in any type of welfare reform program must have access to quality child care services.

If we truly want to help low-income women achieve greater standing and economic independence, they need the very best child care we can offer. They need continuity in child care. They do not need arrangements which are going to be shuttled around every 3-weeks when they change from their 3-hour English training class to their 8-hour training program and then again they might be going into night shift work. These are people whose lives have been marginal. These are people who need the best, not the cheapest.

Fortunately, our legislation in California mandated that the counties pay "the regional market rate of care," and the regional market rate of care was said to be documented by the local R&R agencies. I have included in my testimony package for you a copy of the survey that each of the local R&R's administered. It meant that we could document accurately what is the real regional market cost of care in each county and we certainly saw the differential.

Your county is one of the very highest in the State. We could see a difference in, let us say, Merced County, where the cost of infant care per week was $40 to Marin County, where it is a $120. These are the kinds of differences that must be—you must be attentive to in Congress because if you set a flat rate for the State or for the Nation, people are clearly going to fall through the cracks.

So, I would urge you, as you consider welfare reform and apply it to low-income women in Washington, certainly be attentive to the

fact that child care costs vary enormously from county to county, from State to State, and that there should be a provision in any welfare reform legislation to document those costs and also to document the real supply.

You cannot bring masses of new people into the work force without developing new child care resources, without making sure that the child care programs that exist do not have enormous waiting lists, so that welfare reform is not a simplistic formula. I mean, it is hard enough, in my opinion, to find jobs for people, but I think that it is equally challenging to find good child care, and I hope that you will be attentive to those issues.

I just want to briefly mention that we have been very successful in California in using congressional dollars. The title XX funds that were made available in 1984 for child abuse prevention training have been administered by our network here in California. I want to thank you for the congressional support and the funds that made the training that we are in the midst of providing right now possible. We have a contract basically to develop this handbook, which I presented to you, in both English and Spanish, and also two training videos that will help child care providers deal with the very sensitive topic of child abuse prevention.

It is on all our minds again as we read about it almost every day with a big investigation going on in Presidio. Clearly, there is a need for continued training and support for child care workers, not just in child abuse prevention, but in all areas, and I know that my colleague, Marcy Whitebook, will be undoubtedly addressing that, but I would just like to emphasize that this has been a wonderful project. The local R&R's have had funding to do the training. We have the funds to develop the materials, but it ends December 31 and, in fact, it was the first and, unfortunately, the last federally supported child care training that we have had in this State in 10 years.

Finally, I would like to talk about what has certainly been the most popular project that our organization has administered. It is our California child care initiative project. It is perhaps everyone's dream of a public/private partnership. Indeed, it has been a dream.

I would like to acknowledge one of our founders, Edith Eddy, from the Packard Foundation. I think she will be testifying on the next panel. Very simply put, this initiative has brought together over $2 million of funds from the public and private sectors. The cheerleader, if you will, or the person who has spearheaded this project was Rosemary Mans from the BankAmerica Foundation. The BankAmerica Foundation several years ago was concerned about child care, looking at what might be ways that they could address child care short of actually providing child care for their own employees, because I think while many of us would be happy and anxious to see the corporate sector play that direct role, it would certainly seem that it is slow, slow in coming.

Rosemary was impressed with the work local R&R agencies had done in documenting the need for expanded child care services, came to the network and said, if you could do something, if you could address child care, what would you do, and we said, well, what we would really like to be able to do is develop new child care resources. It is very expensive to start new child care centers, but

we do in some communities have a great need for expanded family day care resources and those providers like Mary Ann who are in the business are often anxious and willing to participate in ongoing training or support.

So, we were able to put together an initiative project over the last 2 years in 6 communities, now expanded to 10. We are operating in a total of 16 communities around the State. That project recruits and trains and supports family day care providers, and in the first year of the project, the goals were exceeded by 20 percent. I know for many of you this is old news, you have probably heard it many, many times, but the fact that we had a total of 1,200 new child care spaces at the end of the year was something that was very impressive to our funders and I think that it was very impressive to us.

It means that we have gotten new people in the business and, hopefully, as we look at retention even at the end of the second year, we are seeing that if you spend that extra time helping people enter the field, it will come back to you. Those people will stay, they will have a longer longevity.

What I think is really significant about this project and what I would like to leave as a message to Congress is that it is a public/private partnership. It is a partnership that is built solidly on California's existing State-funded, State-supported resource and referral program.

This is not something that the employer community would have jumped into if they had to start it all by themselves. People are always looking over their shoulders in my experience in the corporate community, sort of watching what somebody else is doing. In this case, the corporate community could rely on well-established local agencies and well-established state network with the track record of previous funding and look to us to basically develop the model, the materials, and the implementation strategies.

It simply would not and could not have happened if that infrastructure of public support were not present, and I think it is terribly important that that message go out to your colleagues, because in a time when this Nation's support for child care is very lacking, I think it is important to understand that while resource and referral agencies have the capacity to do a great number of things, we are not Rumpelstiltskin. We cannot spin straw into gold, and in States and in communities where there is no public support for this type of service, it is very unlikely that the private sector will enter with the same enthusiasm.

But, conversely, I believe that if public support, if funding for core R&R services becomes available nationwide, I do believe that the private sector will follow the example of the lead funders here in California and many of these funders, such as American Express, are national funders, they are certainly looking at our work here in California as a pilot and a model.

In fact, right now, we are engaged in negotiations and talking to the Ford Foundation about what we might do to help transfer this project to other communities, but the States who will be best able to pick up the ball are those States, like Massachusetts, like New York, who are beginning to provide funding for R&R.

Currently, congressional efforts to support R&R are very, very limited. There is $5 million that is provided in the dependent care assistance program, 4 percent for R&R, and even then it is not just for child care R&R, it has got sort of watered out for dependent care.

There is prohibition against operating costs within those funds. So, it really means that only those States who are the most dedicated, like Alaska, Washington and those States that I have had the honor to work with myself, are really trying to use the money, but it breaks my heart to go in and work with new agencies in other States, get them all started, all set up, only to find that they have no way to survive. I know that many of you may have read recently articles that suggest that the way to support child care R&R services is to charge parents fees.

I said in a national publication and I will proudly reiterate, if government cannot provide this basic information and assistance to parents and providers, what can they do. R&R should be the cornerstone of a new child care assistance program throughout this country and I certainly hope that you will join other advocates in Congress to see that these services are stimulated by the Federal Government and urge State governments to provide them throughout the country.

Thanks.

[The prepared statement of Ms. Siegel follows:]

Testimony

for

U.S. House of Representatives

Subcommittee on Employment and Housing

Hearing on Child Care

San Carlos City Hall

September 11, 1987

Presented by

Patricia Siegel
Executive Director
California Child Care Resource and Referral Network

California Child Care Resource and Referral Network ▪ 809 Lincoln Way ▪ San Francisco, CA 94122 ▪ (415) 661-1714

Congressman Lantos and members of the committee:

Thank you for your thoughtful and attentive interest in child care. The focus of my testimony today is the role of child care resource and referral agencies in the child care delivery system. As Executive Director of the California Child Care Resource and Referral Network it has been my pleasure to work with and assist local child care resource and referral (CCR&R) agencies in California and other states over the past ten years.

California is proud of its pioneering role in the evolution and delivery of child care resource and referral services. State funding has been available for CCR&R services since 1976. Our original legislation provided funds to eleven agencies. The initial and continued success of the services provided to parents, providers, and the community at large prompted legislative expansion of the program in 1978, 1980, and 1984. Currently, California spends $7 million on its CCR&R program which is administered by our State Department of Education. There are 72 local CCR&R offices located in each of our 58 counties.

The attached outline ("Child Care Resource and Referral Programs in California") summarizes the major services provided by CCR&R programs in California. I would like to highlight three major aspects of our program.

First, CCR&R programs provide services to all sectors of the community. We are in constant touch with parent consumers, all types of child care providers, and public and private organizations within our communities who are concerned about child care.

Second, CCR&R programs in California receive core funding from the state. Our basic services are available at no cost to all parents and providers.

Third, CCR&R programs exist in every county, and perform a set of mandated services including:

- Assistance to parents looking for child care
- Documentation of child care needs
- Maintenance of a Resource File of all licensed child care providers
- Provision of technical assistance to existing and potential child care providers

This statewide system of CCR&R services provides policy makers like yourselves, business leaders, and others with a constant, and if needed instant perspective on child care needs and concerns at the local and state level.

In our experience, the existence of this statewide CCR&R system has stimulated interest and support from the public and private sectors for special projects which build upon the core services which I have described.

Let me highlight several which I believe have national significance:

- Statewide Inventory of Child Care

Supply - California has recently implemented its GAIN program of welfare reform. Our GAIN legislation wisely mandated that counties must pay the "Regional Market Rate" for the child care expenses of GAIN participants. In order to determine those regional market rates, and to assess the actual available supply of child care for GAIN participants the California Child Care R&R Network, (under special contract from the State Department of Education) developed a supply inventory survey (see attached) and trained each local R&R agency in how to conduct the interviews with all licensed child care providers in their service area. Over 40,000 licensed providers were surveyed last year. The Network has analyzed and reported the results to the state, and for the first time California has accurate cost and supply data by county and statewide. As you consider Welfare Reform at the National level, I urge you to include provisions and funding for this type of documentation.

- Partners in Prevention

Child Abuse Prevention Training Project for Child Care Providers - The horror of child abuse in child care settings has had a serious and lasting impact on child care providers. Following the McMartin preschool incident in 1984, Congress made expanded Title XX funds available to the states to provide child abuse prevention training to child care providers. Our State Department of Social Services received the funds and invited the Network to submit a proposal for the training. They came to us because their goal was to reach every licensed provider in the state, and the local CCR&R agencies had that potential. Our proposal was funded in 1986 and the products and training which have resulted from the project are fully described in attached materials. The handbook "Making a Difference" has been mailed to every licensed provider in the state, and the response to the local trainings provided by CCR&R agencies has been enthusiastic. There is a desperate need for continued training for child care providers. Congressional support for CCR&R services can help provide the infrastructure necessary to support this type of special training.

- The California Child Care Initiative Project

Of all our current projects, The California Child Care Initiative is the focus of the most public interest. This effort to expand the supply of quality licensed child care in California was spearheaded and supported by the private sector. The attached Fact Sheet describes the project, its funders, and first year accomplishments. In the first year, by working cooperatively and effectively with all sectors of the child care community, the six Initiative pilot projects generated

1,100 new child care spaces in 231 new family day care homes and 5 new school-age programs in over 20 cities from Sacramento to Los Angeles. By year-end, the projects had established over sixty sessions of training classes, workshops, seminars, and orientations. Over 1,200 potential, new and existing child care providers were trained in these sessions.

The Initiative has demonstrated in its pilot year that CCR&R's are an effective vehicle for developing new child care supply.

In 1987, the Initiative has funded a $1.1 million expansion of the program to ten additional CCR&R agencies in San Mateo, Alameda, Marin, Sonoma, Fresno, and Los Angeles counties. The expansion expects to bring 640 new providers into the business, providing spaces for over 3,000 children.

It is important for your committee to understand that this project was possible because California has a state funded system of child care resource and referral agencies. The existence of this infrastructure was essential for gaining corporate interest and support, and should be instructive to Congress as you consider options for encouraging private sector support for child care. It allows employers to assume a share of the costs and responsibility for meeting child care needs with state grant support for ongoing resource and referral services providing the necessary complement.

Child Care Resource and Referral Services are expanding in other parts of the country. There are over 200 CCR&R agencies nationwide and several states including Massachusetts, Michigan, New York, New Jersey, and Minnesota provide state funding for CCR&R's. We have recently organized a National Association of Child Care Resource and Referral Agencies which has initial membership of over 100 agencies.

For the past year, limited federal assistance for the development of child care resource and referral services has been available through the Dependent Care Resource and Referral and School-Age Block Grant Funds (PL 99-445). These funds (approximately $5 million in FY 1987, 40% for R&R and 60% for school-age) have been allocated to the states. Many states have not used the dependent care funds for child care resource and referral. Others including Alaska and Washington have used the R&R portion of the funds to provide initial training and start-up funding for local CCR&R services. However, the severe limitations of available funds combined with a specific prohibition against using the funds for "operating costs" have made it very difficult for new CCR&R organizations to survive. In the short run, I urge you to support Congressional efforts to remove the current prohibition against operating costs, and to support an increased appropriation for FY 88-89.

However, these efforts will not be sufficient to truly

stimulate and support CCR&R services since states still have the option of using the funds for other types of dependent care. Therefore, I urge your committee to support the ABC Coalition's effort to develop a comprehensive federal child care initiative which includes specific support for child care resource and referral services.

Thank you for your time and attention today. In closing, let me reiterate that public support for child care resource and referral services can be the cornerstone of an improved child care delivery system which includes participation and support from all sectors of the community.

Attachments

1. Outline - Child Care R&R Programs in California
2. Inventory of Child Care Facilities Survey
3. Overview - Partners in Prevention Child Abuse Training Project
4. California Child Care Initiative Fact Sheet
5. California Child Care Initiative Funding
6. Business Week Article on Initiative
7. History of the Network
8. Making A Difference (English, Spanish)
9. Understanding Child Care Resources
10. California Child Care Initiative Year-End Report

Mr. LANTOS. Thank you very much, Ms. Siegel, for very excellent testimony.

Next, we hear from Marcy Whitebook, executive director, Child Care Employee Project. Your written statement will be entered into the record. You may proceed any way you wish.

STATEMENT OF MARCY WHITEBOOK, EXECUTIVE DIRECTOR, CHILD CARE EMPLOYEE PROJECT

Ms. WHITEBOOK. Thank you for giving me the opportunity to speak today. I am going to address the issue of child care providers, the problems facing them, and their implications for the quality of child care services.

The three million men and women who work in child care centers and family day care homes underwrite the real cost of child care by working for poverty level wages and few, if any, benefits.

A recent study prepared by the National Committee on Pay Equity cited these teachers and providers as the second most underpaid workers in the Nation, the clergy were first. In spite of an average education level of 14 years, current population——

Mr. LANTOS. That excludes the Bakers?

Ms. WHITEBOOK. Yes. Surveys from the Bureau of Labor Statistics confirm that child care workers in schools and day care centers have a median income of $9,464 a year. That places them on a par with dishwashers, parking lot attendants and zookeepers. For workers who care for children in private households, the median annual income is even lower, $4,732 annually. More than 70 percent of all child care workers have earnings that fall below the poverty level.

Child care providers are underpaid because child care programs do not have enough money to adequately compensate them. Child care programs must rely primarily on parent fees to support their budgets. Consequently, salaries and benefits as the largest category in program budgets and often the only negotiable line item are kept down as a means of keeping parent fees affordable. Because most families cannot afford to pay the real costs of child care, providers are expected to subsidize parent fees and accept salaries that are far below the value of the job that they perform.

Sadly, we are beginning to understand the consequences of this form of subsidy. By relying on early childhood providers to keep the cost of child care affordable, we are running the risk of exhausting a valuable national resource—a resource that is critical to the future education and development of our young children.

By asking the people who care for our children to accept a standard of living that the Government defines as unacceptable, we have made the early childhood profession an untenable career option for young people. Each day, we are losing many of the trained and experienced teachers currently working in the field.

During a 12-month period from 1980 to 1981, the annual turnover rate for personnel in the child care field was 42 percent nationally. That is twice the average for all other occupations, and more recent surveys that the Child Care Employee Project has conducted found turnover rates as high as 60 percent in some commu-

nities. That means that if there are 10 teachers working in a program, you can expect that 6 of them will leave during the year.

As the turnover rate climbs and the demand for child care expands, we are finding that communities are having difficulty expanding services for lack of providers. Child care programs are having greater difficulty finding experienced teachers and directors are spending most of their time trying to locate people rather than to train the existing staff. Teachers, of course, are suffering from increased stress of constantly changing colleagues. In many communities, there just is not enough family day care to go around.

Unfortunately, there are those who will argue that the way to keep child care affordable and to respond to this shortage in child care providers is to lower regulations and standards. Standards in some States are already frighteningly inadequate. The argument put forth is that with lower qualifications and higher adult to child ratios, child care programs will be free to hire fewer providers and pay them less to care for the same numbers of children. Thus, the cost of child care will not be so expensive. But, can we really afford to use standards as a means of containing costs?

Trained and experienced staff who have the knowledge and ability to implement developmentally appropriate curriculum are the single greatest determinant of quality in early childhood programs. Moreover, years of research and experience reveal that children develop and learn far better when they are in child care programs that can provide consistent and reliable staff and small ratios of adults to children.

At the Child Care Employee Project, we are repeatedly asked, well, how can we attract more people to a child care profession and how can we provide better training for providers without spending more money. My simple answer is that we cannot do that either. We have to pay the costs.

If we relied on parent fees to support our public schools as we now rely on parent fees in this country to cover child care costs, millions of children would not be receiving an education currently. If we relied solely on student fees to support our colleges and universities, those institutions would become havens for the children of the elite. We do not ask university faculty and K through 12 teachers to work for poverty level wages to ensure that children of all economic classes receive an education. Yet, we expect child care providers to do just this and make the sacrifice.

We must ask, what will be the consequences for children if we continue to rely on teachers and providers to subsidize the cost of child care? What will be the short and long-term effect on the education and development of children if they are cared for in programs where there are insufficient numbers of adults and where the adults are not experienced and trained in early childhood development? Ultimately, what is the cost to our Nation if this is all we are able to provide for children in the most formative years of their lives?

In the short term, funds must be committed to the child care delivery system to raise salaries in order to make child care jobs at least moderately competitive, and by that, I mean to make them more attractive economically than washing dishes, pumping gas or being on welfare.

There are models for this type of expenditure. Connecticut and Massachusetts have recently allocated funds to upgrade salaries in publicly subsidized centers. Minnesota is instituting a sliding scale reimbursement rate for centers that serve low-income children. Centers paying higher salaries to teachers will receive a higher reimbursement rate per child.

In Canada, the city of Toronto has operated a special salary grant program for the last 4 years which helps nonprofit centers to pay better wages and benefits while maintaining affordable fees to parents.

Funds are also desperately needed for preservice and on-the-job training. Many of the people now working with children do not have the preservice child care training that we know is linked to quality services. Loan forgiveness programs for college expenses, such as those that are available to K through 12 teachers, should be extended to those pursuing a career in early childhood. On-the-job training programs, which do not create additional financial burdens on those teachers and providers already in the system, are desperately needed to raise the skill levels of practitioners and thus the quality of services.

Because increasing compensation and training options will raise the cost of services throughout the child care delivery system, it is imperative that a sliding fee scale system of subsidy extending beyond that which is currently available be supported in many States to only those families earning below 85 percent of the State median income. This subsidy is needed in order to fill the gap between what parents can afford to pay and the actual cost of good quality care—a cost that includes decent compensation for providers. Supporting the Alliance for Better Child Care Coalition's soon to be introduced comprehensive child care legislation would be a way to begin to address this issue.

With the cost of child care in some regions of the country now as high as $4,000 to $6,000 a year for just one child, it is easy to see why high quality care is beyond the financial capabilities of most American families. However, if we recognize the importance of giving our children the highest quality care and education in their early years, then we must preserve the valuable resource we have in the people who are providing the care. We cannot continue to expect parents, providers and teachers to subsidize the high cost of child care.

We as a government and society must accept the responsibility and seek to strike a balance between the needs of families for affordable high quality service and the needs of providers for fair and decent employment.

[The prepared statement of Ms. Whitebook follows:]

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**Testimony before the House of Representatives
Employment and Housing Subcommittee of
the Committee on Government Operations
Hearings on Child Care**

September 11, 1987

Rep. Lantos and members of the Committee, I am honored to have this opportunity to speak to you today about the problems facing child care providers and their implications for the quality of child care services.

The three million women and men who work in child care centers and family day care homes underwrite the real cost of child care by working for poverty level wages and few, if any, benefits. A recent study prepared by the National Committee on Pay Equity cited these teachers and providers as the second most underpaid workers in the nation.[1] In spite of an average education level of 14 years, current population surveys from the Bureau of Labor Statistics (1986) confirm that child care workers in schools and day care centers have a median annual income of $9,464, earnings that place them on par with dishwashers, parking lot attendants, and zookeepers. For workers who care for children in private households, the median annual income is even lower -- $4,732 annually. More than 70% of <u>all</u> child care workers have annual earnings that fall below the poverty level.[2]

Child care staff are underpaid because child care programs do not have enough money to adequately compensate them. Child care programs must rely primarily on parent fees to support their budgets. Consequently, salaries and benefits, as the largest category in program budgets and often the only "negotiable" line item, are held

down as a means of keeping parent fees affordable. Because most families cannot afford to pay the real cost of child care, providers are expected to subsidize parent fees and accept salaries that are far below the value of the job they perform.

Sadly, we are beginning to understand the consequences of this form of subsidy. By relying on early childhood professionals to keep the cost of child care affordable, we are running the risk of exhausting a valuable national resource -- a resource that is critical to the future education and development of our young children. By asking the people who care for our children to accept a standard of living that the government defines as unacceptable, we have made the early childhood profession an untenable career option for young people. Each day we are losing many of the trained and experienced teachers currently working in the field.

During a 12-month period from 1980 to 1981, the annual turnover rate for personnel in the child care field was 42% nationally, more than twice the average for all occupations.[3] And more recent surveys of child care staff conducted by the Child Care Employee Project confirm that in some communities the turnover rate is currently as high as 60% (i.e. six out of ten child care staff members left their jobs this past year).[4]

As the turnover rate climbs and the demand for child care expands, we are finding that communities are having difficulty expanding services for lack of providers. Child care programs are having greater difficulty finding experienced teachers, directors are spending inordinate amounts of time trying to locate and train qualified staff, and teachers are suffering from increasing stress that stems from the additional workload required to orient one new co-

worker after another.

Unfortunately, there are those who will argue that the way to keep child care affordable and to respond to the shortage of child care providers is to lower regulations and standards -- standards that in some states are already frighteningly inadequate. The argument put forth is that with lower qualifications and higher adult-to-child ratios child care programs will be able to hire fewer providers and pay them less to care for the same numbers of children. Thus, the cost of child care will not be so expensive.

But, can we afford to use low standards as a means of containing costs? Trained and experienced staff who have the knowledge and ability to implement developmentally appropriate curriculum are the single greatest determinant of quality in early childhood programs. Moreover, years of research and experience reveal that children develop and learn far better when they are in child care programs that can provide consistent and reliable staff and small ratios of adults to children.[5]

At the Child Care Employee Project, we are repeatedly asked, "How can we attract more people to the child care profession, and how can we provide better training for providers without spending more money?" The simple answer is that we cannot do either without paying the cost.

If we relied on parent fees to support our public schools as we now rely on parent fees to primarily cover the cost of child care, millions of children in this country would not currently be receiving an education. If we relied solely on student fees to support our colleges and universities, these institutions would become havens for the children of the elite. We do not count on university faculty and K-12 teachers to work for poverty level wages to insure that children

of all economic classes receive an education, yet we expect child care providers to make this sacrifice.

We must ask what will be the consequences for children if we continue to rely on teachers and providers to subsidize the cost of child care. What will be the short and long term effect on the education and development of children if they are cared for in programs where there are insufficient numbers of adults and where the adults are not experienced and trained in early childhood development. Ultimately, what is the cost to our nation if this is all we are able to provide for children in the most formative years of their lives?

In the short term, funds must be committed to the child care delivery system to raise salaries in order to make child care jobs at least moderately competitive, by this I mean more attractive economically than washing dishes, pumping gas or being on welfare. There are models for this type of expenditure. Connecticut and Massachusetts have recently allocated funds to upgrade salaries in publically subsidized centers. Minnesota is instituting a sliding scale reimbursement rate for centers that serve low income children. Centers paying higher salaries to teachers will receive a higher reimbursement rate per child. In Canada, the city of Toronto has operated a special salary grant program for the last four years which helps non-profit centers to pay better wages and/or benefits while maintaining affordable fees for parents.

Funds are also desperately needed for pre-service and on-the-job training. Loan forgiveness programs for college expenses such as those available to K-12 teachers should be extended to those pursuing a career in early childhood. On-the-job training programs which do not create additional financial or time burdens on those teachers and

providers already in the system are desperately needed to raise the skill levels of these practitioners and thus the quality of services available to families.

Because increasing compensation and training options will raise the cost of services throughout the child care delivery system, it is imperative that a sliding scale system of subsidy extending beyond that currently available in many states to families earning below 85% of the state median income be supported in order to fill the gap between what parents can afford to pay and the actual cost of good quality care, a cost that includes decent compensation for providers.

With the cost of child care in some regions of the country now as high as $4-6,000/year for just one child, it is easy for us to see why high quality child care is beyond the financial capabilities of most American families. However, if we recognize the importance of giving our children the highest quality care and education in their earliest years, then we must preserve the valuable resource we have in the people who are providing that care. We cannot continue to expect providers and teachers to subsidize the high cost of child care. We, as a government and a society, must accept that responsibility and seek to strike a balance between the needs of families for affordable, high quality services, and the needs of providers for fair and decent employment.

NOTES

[1] National Committee on Pay Equity (1987). Pay Equity, An Issue of Race, Ethnicity and Sex. Washington, D.C.

[2] National Association for the Education of Young Children (1986). In Whose Hands? A Demographic Fact Sheet About Child Care Providers. Washington, D.C.

[3] Whitebook, M. (1986). "The Teacher Shortage, A Professional

Mr. LANTOS. Thank you very much, Ms. Whitebook.

Let me say you certainly scored with me and I look forward to meeting with you to see if there is any legislative effort at the Federal level that might be helpful to people in your field. I look forward to doing that.

Our next witness is Abby Cohen, director of the Child Care Law Center, and let me just say before you begin, without embarrassing you, that I was very much impressed by your written presentation. If I needed a lawyer, I would look to you, and I look forward to listening to your testimony.

STATEMENT OF ABBY COHEN, MANAGING ATTORNEY, CHILD CARE LAW CENTER

Ms. COHEN. Thank you very much.

I really am very appreciative of this opportunity to appear before you. The Child Care Law Center is the only legal services organization in the country exclusively dedicated to the issue of child care. I was pleased that I was told that there were certain issues that there was need to focus on, since I can tell you that the variety of legal issues that child care providers face is really quite immense.

But I will focus my issues specifically here today on the issues of zoning, land use planning, and taxes. While it may be perceived that taxes are the only area in which the Federal Government really has a role, probably the most important message that I would like to get across is that while land use and planning and zoning are traditionally viewed as local and State issues, I think that for every single issue in child care, there is a role for the Federal Government.

I would agree with your colleagues that we must not use the Federal Government as a panacea for any of the child care problems. I think they are too large, but I do believe that the Federal Government plays an essential role that has been conspicuously absent as the problem worsens.

First, I would like to address the issue of zoning. Mary Ann Coulson, I know, already has raised that as has every provider I know. The real question is where is child care going to be located? Unfortunately, zoning obstacles were there when the Child Care Law Center began, they are there today.

Family day care homes and child care centers are experiencing unique problems. In many instances, they are completely prohibited from neighborhoods. In other instances, the restrictions on them are so tremendous that they cannot get established.

I think the reasons for that are manifold. Some include the fact that communities are resistant to the notion that mothers are working. I, too, was very pleased to see you outside talking to some of our senior citizens who, in fact, in some communities have been the most vociferous opponents of having child care in the neighborhood. I have found in my experience that frequently the reason for that is a certain hostility because of their own need for services. I cannot tell you how many times that I have been in planning hearings advocating for the rights of the child care provider where the person opposing it was, in fact, an elderly woman caring for a sick husband who himself needed assistance. The noise of the kids was

really bothersome and it really was not an issue of disliking child care. It was really an issue of resources for the elderly.

So, I, too, agree that we need to make those bridges, but I think it is important to recognize that there are too many people saying in sort of the same vein as we have heard here, child care, OK, that is fine, but just not in my neighborhood. I think that it has got to be in someone's neighborhood or we are not going to have any child care.

In my written testimony, I have provided a wide array of descriptions of some of the problems related to zoning. Some of the recommendations include a need to look at both public education and legislative reforms. Public education must be directed at communities and public officials, particularly planners, about the nature of child care, how it is regulated at the State level, the differences between family day care and child care centers and understanding of how essential this service is, just like schools, and its compatibility with a wide variety of other uses.

I think we also need to do a lot of drafting and redrafting of some of what I call fossilized zoning codes that have been around for so long that they are moribund. While zoning is primarily a local issue, I feel that the Federal Government can play a role to promote more favorable treatment of child care in local communities by providing funding for the development of public media information on the nature and importance of child care programs and provide funding to planners to study the interrelationships between child care, employment, housing, recreation and transportation, so that our zoning ordinances reflect current needs that are based on hard information rather than stereotyped misinformation and guesswork.

One of the classic examples in that vein is many people saying, well, my property values are going to go down if I have a child care provider living next door to me, when, in fact, when child care is offered, we often find that the surrounding area is very pleased that there is someone actually at home all day making sure that there are not burglaries taking place and that people tend to keep up their landscaping and they have kids in the backyard. So, in fact, it tends to be a plus and when people are selling their homes, real estate agents are finding people asking, "Is there child care in the neighborhood?" So, in fact, it really is a plus.

The second issue that I would like to address is land use. Zoning is simply one factor in the larger area of land use. Our interest in land use developed because we got tired of defensively responding to zoning issues and realized that we needed to start having planners look at child care and consider it before they start developing which zone was used in what way, and consider it in the process of development and redevelopment rather than having it inadequately considered as an afterthought, as it so often is now.

Child care advocates have played a major role in convincing planners, developers and the public at large that child care must be considered in the planning process. I know that you were supposed to have Supervisor Walker here today from San Francisco to speak a little bit about San Francisco's passage of an exaction ordinance, which the Child Care Law Center was very involved in, that requires sponsors of new developments to provide a space for child

care or contribute to a fund used for the expansion of child care services in the community.

Here again, I would like to reiterate the comments of my colleague, Patty Siegel, about the importance of looking at this as a working together partnership, that is not just a developer bearing a burden, but, hopefully, that employers will assist in providing funds for the parents to be able to afford the care that is being made available and that there be a joint effort between the public and private sectors.

Some of the innovations were documented in a booklet that the Child Care Law Center prepared over the past year, which I have made part of the testimony, which really goes into quite a bit of detail about the various ways in which planners and child care advocates can have child care incorporated in the planning process. Some of those ways are changes in general plans, promotion of development agreements which will encourage developers to place child care in their new sites. There have been a great many new examples of developers who are finally recognizing, after we have been talking until we are blue in the face, about how it really does make good business sense to include these projects, and developers are beginning to include them.

Again, however, I would want to make clear that I do favor these only to the extent to which we can incorporate the entire community in terms of using these facilities and making sure that they are affordable to the community.

Most frequently looked at in terms of the Federal Government's policy are the tax policies, and as long as everybody else is sort of kicking the IRS, I will put in my own two cents here, too.

Basically, I feel that our tax policy is inadequate in terms of child care. I would say, however, that in terms of how we subsidize child care, my view is that we would be better funded not through our tax system. However, as long as we have that tax system and tax policy, we ought to do it in a way that is more adequate and certainly targeted to those who need it most and that is not the current situation.

Our child care tax credit, which has been a major Federal subsidy for child care, does not really help the people who need it the most. Low-income people—and with changes in the tax reform means there are fewer people at the lowest end who are now going to pay taxes—need to have a refundable tax credit.

We also need to change the sliding scale so that it will impact those low-income taxpayers in a more targeted fashion than we have currently.

In addition to that, with regard to dependent care assistance programs, and cafeteria plans that were established in the 1981 tax legislation that allowed employers to offer child care as a tax-free benefit to employees, the IRS has been so slow in developing regulations and those they have proposed have been so conflicting and unclear, that this lack of guidance has really stymied a large number of employers from instituting these dependent care assistance programs. I think Congress really needs to move on IRS to develop regulations which would be both understandable and reasonable to implement those provisions.

In addition, I think that parents need good information about how to use the dependent care assistance program and to determine whether the child care tax credit or the dependent care assistance programs are more valuable to them. It involves complicated financial planning. We need to have a good understanding of the financial planning that goes into these decisions and too few parents are aware of that.

Finally, I would just like to give some overall recommendations for action by the Federal Government. I think it is important that we establish a Federal clearinghouse on child care which would standardize, collect and analyze data on such issues as supply and demand, cost of child care. I find it extremely appalling that I get calls from the Federal Government asking me how many child care centers there are in the United States, how many family day care providers are in the United States, what is the average wage of the child care provider.

I simply view that as incredible. I do not have the resources to develop that information and it certainly is something that the Federal Government could do. Further, that information could be used to develop policies.

I think that we need to increase the support for subsidized child care, develop parental leave policies as part of a larger policy which supports families, require that educational support to schools be conditioned on a requirement that schools provide a space inventory to a community. We have had numerous instances of schools that really do not want to divulge the kind of space that may be available that could be used for school-age child care.

Increase funding to public schools so that transportation can be provided from public schools to after school programs offsite. Again, reiterating what Patty Siegel said, support welfare legislation only if such legislation guarantees adequate funding for high-quality licensed care and provides adequately for continuity of care and transitional child care.

The emphasis must be as great on quality of care given a child as on providing convenience and affordability for the working parents. Providing cheap custodial care is not the kind of care children deserve nor taxpayers should pay for, and I cannot emphasize that point too strongly. I feel like there are two streams currently going forward. People have their blinders on and don't see the pitfalls of staying in the two streams.

You get lots of information about workfare and the focus is completely on putting parents to work and not the kind of care those children are receiving, and then we hear a lot of media with attention to the importance of early preschool education and how it helps the disadvantaged.

Well, you are talking about the very same kids, but what is interesting is that those programs do not meet the needs of working parents. Somehow, we have got to pull the information from those kinds of programs and the needs of welfare parents together and recognize that we need high-quality programs that are long enough in terms of their hours per day that can meet the needs of working parents.

Just in closing, I think that we also need amendments to the fair housing bill, which will eliminate discrimination against children

in housing. We have no chance of providing child care in residential zones if children are not even allowed to live in such zones.

We cannot continue to relegate children and their needs to invisibility. Our failure to respond to their needs now will surely harm us in the future. Rest assured if we ignore their needs now, the children will not be appearing in the form of Casper, the friendly ghost.

I really feel very strongly that by ignoring children's needs now, we are really heading towards what could be tremendous disaster.

Thank you.

[The prepared statement of Ms. Cohen follows:]

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TESTIMONY BEFORE THE CONGRESS OF THE UNITED STATES HOUSE OF REPRESENTATIVES EMPLOYMENT AND HOUSING SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

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79-228 - 88 - 7

Thank you very much for the opportunity to appear before the Employment and Housing Subcommittee of the Committee on Government Operations. My name is Abby Cohen and I am the Managing Attorney of the Child Care Law Center in San Francisco.

The Child Care Law Center is the only legal services organization in the country exclusively dedicated to expanding the availability of quality, affordable child care programs. From its inception in 1978, the Center has sought to eliminate the legal roadblocks which impede the establishment and maintenance of child care programs, be they family day care homes or child care centers. Last year we received over 900 requests for assistance. We provide direct representation, technical assistance and consultation related to child care legislative initiatives, and public education, through presentations and the development of informational materials.

There are a wide array of legal issues which are currently impacting the availability of care, but I will focus my attention today on three. They are zoning, land use planning and taxes. To keep my comments brief, I will give some background as to the significance and critical problems found in each of these issue areas and recommend some courses of action we might take to eliminate or minimize them. I will conclude with recommendations for actions which ought to be taken at the federal level to respond to the critical needs of working parents and their children. Those recommendations will be responsive to a number of issues, not just the three issues I have come to speak to you about today.

ZONING

Unfortunately, zoning obstacles to the establishment of child care were the first legal issues that the Child Care Law Center grappled with ten years ago at its inception and zoning remains a major problem today. Both family day care homes and child care centers have experienced difficulties in getting established or expanding due to prohibitive or restrictive local zoning ordinances. In some instances, the zoning codes hamper establishment of programs because they have never caught up with major demographic changes and do not deal with child care either at all or appropriately. In other instances, the zoning codes are impeding the development of child care because of the hostility of the community to the provision of child care services. Some communities are resistant to the notion that mothers are working; others sound reminiscent of the civil rights days when they say: "Child care? O.K. But not in my neighborhood." Yet, if all neighborhoods respond in this

fashion child care will be without a home in the community.

Zoning ordinances limit the supply of child care in many ways. These include:

*a failure to mention child care at all, subjecting providers to upredictability, the hostility of neighbors and the unbridled discretion of local public officials;

*a failure to distinguish between family day care and child care centers, nursery schools, schools, foster care, etc. and as a result place requirements on family day care or child care centers which are inappropriate;

*a lack of consistency with state licensing laws with regard to definitions (for example, defining a child care center in a different way than the state) and requirements such as square footage, fencing, etc.; and

*incorporating provisions which are exclusionary in character, that is, prohibiting this essential community service. In some communities family day care is prohibited from the residential neighborhoods where it must operate by definition.Other communities prohibit child care centers from residential areas even though schools and churches are not similarly prohibited, viewing child care as commercial. Then we see other communities which prohibit child care in commercial areas because they feel such areas are inappropriate environments for children. In all cases there is a failure to understand child care for the unique community service that it is.

RECOMMENDATIONS FOR ACTION: ZONING

The response to zoning problems involves public education and legislative reform. Public education must be directed to communities and public officials, particularly planners, about the nature of child care, how it is regulated at the state level, the differences between family day care and child care centers, an understanding of how essential the service is, just like schools, and its compatibility with a wide variety of other uses, enabling it to exist in a variety of zones.

Avenues for legal reform include redrafting fossilized zoning codes or developing state preemption legislation. Local planners should assume the initiative in the absence of state legislation and redraft their zoning codes so that definitions parallel state law, and do not place more onerous restrictions on child care than those found in the state licensing provisions.

Notwithstanding the fact that zoning is primarily a local issue, the federal government can play a role to promote more favorable treatment of child care in local communities. It can:

- o provide funding for the development of public media information on the nature and importance of child care programs;

- o provide funding to planners to study the interrelationships between child care and employment, housing, recreation and transportation so that our zoning ordinances reflect current needs and are based on "hard" information rather that stereotypes, misinformation and guesswork.

LAND USE

Zoning is just one facet of the larger area of land use. As child care advocates found themselves increasingly frustrated fighting zoning battles from a defensive posture, (always trying to justify the existence of child care and the necessity to locate it appropriately in the community, without unnecessary restrictions) the necessity to work affirmatively on land use planning became evident.

The objective of such efforts is to have child care considered in the land use planning process as development and redevelopment is contemplated, rather than have it inadequately considered as an afterthought as it so often now is. These efforts have begun to meet with success in communities such as San Francisco, Concord, Irvine and a variety of other communities throughout California and the nation. Child care advocates have played a major role in convincing planners, developers and the public at large that child care must be considered in the planning process. How this has been accomplished has varied from project to project, and from community to community, but innovative steps are being taken.

These innovations include:

Exactions:

*the passage of San Francisco's and Concord's exaction ordinances which require sponsors of new developments to provide space for child care or contribute to a fund used for the expansion of child care services in the community;

Changes in general plans:

*Palo Alto's Comprehensive Plan, Employment Element amendment which incorporates a strong policy in favor of child care, particularly support for the use of variances where appropriate to expand site coverage in industrial zones for child care facilities.

Development agreements and similar "public contractual" Agreements:

including the inclusion of a child care facility in a development project in Santa Monica and Honolulu's "Unilateral Agreements" which require residential developers requesting amendments to use maps or zoning changes to deed space to the city for child care purposes according to a formula.

Incentive Provisions:

*which grant developers square footage or similar bonuses then they provide space for child care as has been done successfully in Seattle.

Voluntary inclusion of child care into development projects:

*Throughout the country, developers are recognizing that child care is an important, if not essential component of modern development projects, be they office or residential. It is critical, however, that developers are encouraged, if not required, to utilize pre-existing community resources in making decisions about the types of child care to include in their projects. We need high quality care with well-paid and trained staff which may not be found in the commercially packaged child care such corporations may be more comfortable negotiating with.

For a sense of these innovative responses to the need for considering child care in the planning process, see Appendix A to this testimony.

RECOMMENDATIONS FOR ACTION: LAND USE

Again, while land use is primarily a local and state issue which will require education and reform if we are to have child care adequately considered in the planning process, the federal government can and should play a role in affirming the importance of child care. It can do so by:

- o expanding the coverage of 40 U.S.C. Section 490(b) to require that new and/or remodelled federal buildings set aside space for child when a certain threshold number of employees are employed in these buildings, since 40 U.S.C. Section 490(b) only allots space without charge for rent and services when such space is available. The federal government must ensure that such space is available, and that federal employees are aware of these important provisions;

- o requiring all construction projects which receive federal financing to incorporate space for child care when and where appropriate;

- o reform current HUD regulations which are precluding family day care providers from caring for children in their homes in housing projects.

TAXES

Child care tax credit: Currently, the major federal subsidy for child care is an indirect one, through the child care tax credit. In 1984, the most recent year for which IRS data are available, more than 7.5 million taxpayers claimed the credit and received over $2.6 billion in tax benefits. However, even though the credit is targeted to low-income persons, it is not as potentially valuable as it might be. Moreover, the Tax Reform Act of 1986 has made it less valuable to some low-income taxpayers. The National Women's Law Center, in reviewing the need for states to establish or revise state child care tax credit provisions in a manner that maximizes the credit's value, particularly in light of the Tax Reform Act of 1986, explained clearly the deficiencies of the current federal credit. Their Dependent Care Tax Provisions in the States: An Opportunity For Reform states:

> "First, because most low-income families cannot afford to incur dependent care expenses at the maximum expense limits of $2,400 or $4,800, few, if any, such families are able to take full advantage of the credit's low-income targeting. Second, because the credit is not refundable to the extent it exceeds a taxpayer's tax liability, families that have no tax liability derive no benefit from the credit or its special targeting to low-income taxpayers, and other families lose the benefit of a portion of the credit they can claim. Third, because the sliding scale is not indexed for inflation, over time its targeting to low-income taxpayers will be eroded as fewer and fewer taxpayers with AGIs low enough to take advantage of the maximum 30 percent credit have any tax liability. (This erosion will occur because the dollar amounts of the basic provisions that determine individual tax liability, including the personal exemption, standard deduction, tax bracket breakpoints, and, for low-income taxpayers, the earned income tax credit, all are indexed).
>
> These problems are exacerbated by the Tax Reform Act of 1986, which made no changes in the dependent care credit to take account of the Reform Act's bracket changes and generally lower tax rates. Because many more low-income taxpayers will have no tax liability--the tax thresholds for nearly all taxpayers except single, non-elderly individuals will be above $12,000 in 1988, and for families of three or more will be above $15,000--virtually no taxpayers will be eligible to claim the maximum percentage credits of 29 and 30 percent of their qualifying dependent care expenses. (In contrast, for those taxpayers who will continue to benefit from the dependent care credit, the Tax Reform Act's generally lower tax rates will make the credit proportionately more valuable, since many taxpayers will see their liability decrease while their

credit amount remains the same.) Without refundability or changes in the sliding scale, both the availability of the credit and its low-income targeting will continue to erode over time. (Additionally low-income targeting of the credit to ameliorate the effect of the disparity in the actual dependent care expenditures of low and high income taxpayers could be accomplished by increasing the percentages at the lower end of the slide, for example to 50% for the lowest-income taxpayers, with the highest-income taxpayers continuing to receive only 20%.)"

Dependent Care Assistance Programs/Cafeteria Plans: 1981 tax legislation established Section 129 of the Internal Revenue Code which establishes a mechanism through which an employer can offer child care as a tax free benefit to employees. Section 125 enables the employers to set up a "cafeteria plan" for employees who then can choose among certain statutorily defined benefits, one of which may be a DCAP. Notwithstanding the existence of these beneficial sections, too few employers have incorporated them into their benefit packages. This is due in large measure to a lack of guidance from IRS. This lack of guidance could be characterized as both a lack of information and conflicting or unclear information.

RECOMMENDATIONS: FOR ACTION: TAXES

The federal government plays a major role in tax policy. It can support the provision of child care services by:

- o making the child care tax credit refundable, and might target the refund at first to those who are currently not paying taxes;
- o increase the percentage of the credit available at the lower end of the sliding scale; and
- o encourage states to enact or enhance state child care tax credit provisions and reform their laws in such a way as to maximize their value, taking into account the changes wrought by the Tax Reform Act of 1986.
- o publicize the availability of the credit and Section 129 and information on whether the credit or the DCAP is more valuable to families;
- o oppose attempts to raise revenue through the elimination or limitation of Sections 21, 125 or 129 of the Internal Revenue Code;
- o develop regulations which are both understandable and reasonable to implement Sections 125 and 129;

- o consider the enactment of tax credits/deductions for employers/developers for the development of child care facilities but do so only with certain safeguards to ensure that: existing community resources are utilized, that such facilities are open to the community, that any programs operate with a sliding fee schedule, and that staff are well paid and adequately trained.

OVERALL RECOMMENDATIONS FOR ACTION BY THE FEDERAL GOVERNMENT

In addition to the recommendations listed above and the many my colleagues will suggest to you, the federal government must:

1. Establish a federal clearinghouse on child care which would standardize, collect and analyze data on such issues as supply, demand, preferences and cost of child care services; training, pay, and working conditions of providers; licensing regulations, innovative programs and the like.

2. Increase its direct support of subsidized child care.

3. Institute national parental leave policies as a piece of a larger policy which supports families.

4. Tie educational support to schools to a requirement that schools provide a space inventory to the community. In this way surplus space can be identified and then utilized for school-age child care.

5. Increase funding to public schools so that transportation can be provided from public schools to after school programs off-site.

6. Support workfare legislation only if such legislation guarantees adequate funding for high quality, licensed care, and provides adequately for continuity of care and transitional child care. The emphasis must be as great on the quality of care given the child as on providing convenience and affordability to working parents. Providing cheap, custodial care is not a kind of care children deserve nor taxpayers should pay for.

7. Consider legislation which would grant preferences in bidding on federal contracts to those corporations which support child care in some fashion.

8. Expand the availability of Community Development Block Grant Funds (CDBG) and earmark a percentage of these funds for child care.

9. Support amendments to the fair housing bill which would eliminate discrimination against children in housing. We have no chance of promoting child care in residential zones if children aren't even allowed to live in such zones.

We cannot continue to relegate children and their needs to invisibility. Our failure to respond to their needs now will surely haunt us in the future. And, rest assured, if we ignore their needs now, they will not be appearing in the form of Casper, the friendly ghost.

Mr. LANTOS. Thank you very much, Ms. Cohen.

The final member of this panel is Setsuko Florence Furuike, child care ombudsperson, community care licensing, California Department of Social Services.

We are very pleased to have you. Please proceed in your own way.

STATEMENT OF SETSUKO FLORENCE FURUIKE, CHILD CARE OMBUDSPERSON, COMMUNITY CARE LICENSING, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

Ms. FURUIKE. Thank you.

I want to add my voice of welcome and thank you to those that have been expressed today, and I also want to commend you, Chairman Lantos, for being able to pronounce my name correctly without batting an eye.

Mr. LANTOS. Very kind of you.

Ms. FURUIKE. 1984 was a year of landmark legislation for child day care in California. That was the year that the California Health and Safety Code was amended to include the California Child Day Care Facilities Act.

Among the things that act did were three that I want to bring out. First of all, it separated the licensing of our child day care facilities from our residential programs. Two, it mandated training for the licensing evaluators of the child day care facilities, and, three, it created the ombudsman program of which I am a part.

I was asked to speak about our regulatory program, my personal experience in San Mateo County with the regulatory program and any kind of recommendations that the State might have for the Federal Government.

I feel that California has a strong regulatory program that is based on our health and safety code and is found in the California Administrative Code, title 22, division 12.

Those regulations govern not only the large and small family day care homes, but also all types of the child care centers that we do license. The emphasis is, first and foremost, the health and safety of children. In family day care, we want to make sure that children are protected as well as their rights while they remain in a family type atmosphere.

In the centers, we have five basic areas that are covered by the regulations: the administration of the program, staff qualifications and ratios, the availability of a program, the physical plant, and compliance to regulations. These are minimum standards that the state does try to enforce.

Since the passage of the Child Day Care Facilities Act, I think there have been some positive trends in California and I feel very proud of them. I would like to think that the ombudsman program has been a part of that, but I think, more realistically, it was also just the timing since 1984 and the events that happened then and subsequent to that time.

First of all, there has been greater interagency cooperation between licensing and other agencies that are involved in child care. We have been able to develop memoranda of understanding, protocols or guidelines 4316-17 for the investigation of allegations of

abuse, between law enforcement and the licensing agency, with the goals of improving the cooperative efforts and reducing the trauma to children.

We have also developed similar memoranda of understanding with child welfare programs to make sure that our roles are real clear in the child day care programs, and we have also tried to form a real strong partnership and have again developed some memoranda with the State funded resource and referral agencies. We feel that we are a real strong partner with them and that together, with other agencies, we need to work. Otherwise, if we fragment our efforts, then children are hurt.

I believe that the relationship with the provider community and the provider organizations has been improved. At our last training, some providers of care were invited to participate to assist us. The training was focused on conflict management, and I heard some real positive feedback from that.

The ombudsman program and others have been trying to not only bridge the gap between agencies, because at one time I do not think agencies really spoke with one another, but also the information gap. We are trying to make consumers more aware of the choices and the elements that go into quality care. Again, that is something that the resource and referral agencies and others do, but we have also made some attempts in that area.

My experience in San Mateo has been both as a licensing evaluator and as an ombudsperson. I have felt that there have been really no problems in the licensing and monitoring of programs in San Mateo County. I have found that the providers who have wanted to be in compliance are eager for licensing and also for the information that will assist them in providing the care necessary for children.

The number of complaints against facilities has fluctuated since 1984, but the number of serious complaints and allegations of abuse have increased as well as the number of administrative actions and even criminal complaints filed by the district attorney against facility operators.

I think there are several reasons for that increase. One, there are now more facilities in San Mateo County and throughout the State. Two, I think with the ongoing training that has been mandated for the evaluators, there is greater consistency in the monitoring program as well as better followup with the program.

Consumer awareness has certainly increased and consumers are aware of what quality is and what can be expected from a program. They are also aware of the indicators of abuse and, again, last but not least, the greater cooperation between agencies to do the investigation has made the investigations a lot better.

It is our recommendation that States continue to be allowed to have the flexibility to administer child care programs consistent with existing State laws and codes, and that if the Federal Government seeks to establish minimum child care licensing standards on a national basis, these standards should focus primarily on ensuring the health and safety of the children in our care.

Thank you.

[The prepared statement of Ms. Furuike follows:]

STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814 MS 19-62
(916) 324-4038

September 14, 1987

Ms. Margery Farrar, Staff Assistant
Office of Congressman Tom Lantos
520 El Camino Real
Suite 800
San Mateo, CA 94402

Dear Ms. Farrar:

SUBJECT: Written Testimony of Setsuko Florence Furuike

Thank you again for the opportunity to provide testimony for the California State Department of Social Services, through Setsuko Furuike, Child Care Ombudsman at the Congressional hearing conducted by Congressman Lantos in San Carlos on Friday, September 11, 1987. As discussed, attached is the official written testimony of Ms. Furuike for the congressional record.

If we can be of further assistance, please contact either me at the number above or Ms. Furuike at (408) 277-1242.

Sincerely,

Andy Ah Po, Chief
Child Care Ombudsman Program

Prepared statement of Setsuko Florence Furuike, MSW, Calif. Dept. of Social Services, Community Care Licensing Division, Child Care Ombudsman Program.

Thank you for the opportunity to present testimony for the record regarding California's system of licensing and regulating child day care facilities.

Background

Licensing of programs caring for children in California has come a long way since 1903 when the first licensing laws were enacted. Because of child abuse allegations in the McMartin and other Southern California preschools, 1984 was a year of much media attention on child care and the passage of many bills affecting child care. One significant piece of legislation was SB 1754, sponsored by Senator Art Torres. This bill is better known as the California Child Day Care Facilities Act, California Health and Safety Code Sections 1596.70 et. Seq. Three outstanding features of the Act are the following:

1. Provision of separate child day care facility standards from those for residential programs.
2. Ongoing training of licensing staff.
3. Development of the Child Care Ombudsman Program.

Current Status of Licensing Child Day Care Facilities in California.

Regulations that govern child day care facilities are based on the California Health and Safety Code and are found in the California Administrative Code, Title 22, Division 12. These regulations govern large and small family day care homes (care for up to 12 children in the provider's own home) and child day care centers. Both types of facilities are required to be licensed by the California Department of Social Services unless they meet specific exemption criteria. It is a misdemeanor to operate without a license, violating the Health and Safety Code. The state contracts with roughly half the counties to perform the licensing and monitoring of family day care homes. Currently the Department has fourteen district offices located throughout the state and is planning to locate another in San Mateo County. Thus all the licensing and monitoring of facilities is done on a local level, with support, legal and administrative back-up located in Sacramento. As of May 31, 1987, there were 7,807 licensed child day care centers with a total capacity of 405,032 and 35,184 licensed family day care homes with a total capacity of 238,810.

Child Care Ombudsman Program

There are currently thirteen ombudspersons and one chief ombudsman. Five mandates for the program are listed in the Health and Safety Code; we are not ombudspersons in the traditional sense. We have helped to improve the relationships between providers and licensing staff, and assisted in the development of protocols or memoranda of understanding to ensure cooperative investigations of child abuse allegations in child day care facilities. We attempt to be a proactive rather than reactive program. By disseminating information about licensing standards, regulations, and other child care related information, we are raising awareness levels of parents, providers, employers, and the public. By acting as a liaison between the licensing agencies and persons or agencies that may become involved with child day care facilities, we are bridging gaps that previously existed. We are able to share information about successful programs in one part of the state with other parts. We have a strong partnership with the state funded resource and referral agencies to better serve parents and providers. We are also available to mediate disputed complaints on behalf of children in the more traditional role of ombudsperson.

Monitoring Experience

It has been my experience both as an ombudsperson and formerly as a licensing evaluator that most licensed providers are dedicated to their facilities. They want to be regulated, to be in compliance, and to know and understand the regulations. I saw and see no problems in the enforcement of the licensing standards. The number of complaints, has fluctuated, but there has been an increase in serious complaints alleging abuse or violation of children's rights. The number of administrative actions has increased. This is due in part to an increase in the number of facilities; however, the increased ongoing training of evaluators, more consistent follow-up, investigation of unlicensed facilities, the improved cooperation between investigative agencies, and an increase in consumer awareness are more important reasons for those increases.

Recommendations

It is our recommendation that states continue to be allowed to have the flexibility to administer child care programs consistent with existing state laws and codes, and that if the federal government seeks to establish minimum child care licensing standards on a national basis, these standards should focus primarily on ensuring the health and safety of children in care. Minimum standards of this nature could include the following:

(1) A criminal record clearance system,
(2) Fire clearances for facilities that care for more than six children,
(3) A minimum age requirement for child care center providers and employees (18 years of age)
(4) Educational requirements for child care center directors.

California has a strong regulatory program that emphasizes the health and safety of children in care. However, review of the educational or training program content of a child day care center is specifically prohibited by statute. There are specific regulations for child day care centers, infant centers, and family day care homes. Regulations specific to school-age centers and centers for mildly ill children are being developed; both types of programs have interim guidelines pending adoption of regulations. All regulations undergo review and updating on a regular basis.

In an attempt to maintain a home-like atmosphere, the family day care regulations are not as specific as those regulations for center based care. They do maintain minimum standards to protect children and their personal rights. The regulations for child day care centers provide minimum standards in the areas of staff, physical plant, program, and administration. Standards for staff include ratios and staff qualifications. Standards for physical plant include interior and exterior square footage, toileting and handwashing facilities, food preparation areas, general sanitation, isolation areas, indoor and outdoor equipment, fencing, and separation of types of centers. Standards for program include requirements for food/snacks, naps, discipline, personal rights of children, and scheduling of activities. Standards for administration include requirements for record keeping, accountability, as well as the requirements to apply for and maintain a license, and cause for administrative action, and civil penalties.

The Department has several types of actions available to assure compliance. First of all, visits are made to centers at least annually, and within ten working days of the receipt of a complaint. There is also a follow-up visit should the facility be cited for any non-compliance. All visits are made unannounced. Family day care homes are visited at least once every three years, after receipt of a complaint, and to follow-up for any non-compliance. A ten percent random sample is also visited annually. All these visits are also not announced. A thorough, unannounced renewal visit is made every three years to both types of facilities. Second, centers are subject to civil penalties for failure to come into compliance within an agreed upon time frame, usually thirty days. Centers operated by public agencies are exempt from these penalties. Lastly, both centers and homes can be subject to administrative action to revoke a license or deny a renewal license, and criminal prosecution. However, the Department makes every effort to bring all programs into compliance rather than take administrative action.

Mr. LANTOS. Thank you very much.

I will submit for the record questions to all of you. There are a few that I would like to raise now.

Let me begin with you, Ms. Siegel. I am very much impressed by your testimony, very much impressed by the work you have done, but I have one basic question that sort of puzzles me as a professional economist.

On the one hand, providing a referral network is invaluable because people do not know where to go and they come to you and you tell them what the lay of the land is. On the other hand, since there is a fundamental shortage of places, is it not true that in a sense you exacerbate the problem because you make people aware of the facilities in short supply?

Ms. SIEGEL. Well, we certainly do make people aware of the short supply and if we stop there, then I think you would be quite accurate. But we do not just answer the phone and say here is a waiting list that you can go to. I mean, we really feel that we have a responsibility to give a public voice and to act on those unmet needs.

So that we are really a sort of three dimensional service and only one dimension is actually the work we do with parents. On behalf of those parents, it is equally our responsibility to recruit, to train, to bring new people into the field, and to help policymakers like yourselves, not just the parents, but those who can make a difference, corporate leaders, policymakers, understand where those gaps in service are and how we can best target them.

And let me be very specific. In 1980, the State of California had its last major child care expansion. We had a $10 million bill and up to that point, most of our child care expansion dollars were going into preschool programs, programs serving children 2 to 5.

We knew in the R&R network through our own documentation and sharing of data that even in 1980, over 40 percent of all the requests for service that we had received were for children under 2, and I bet if you looked at that data now, you would find that the number of parents seeking care for children between 6 weeks and 1 year has grown.

We were, therefore, able to convince our State legislature that the expansion of infant care should be the top priority for those funds. I mean, in sort of a similar vein, several years ago, when we had an expansion of school-aged care, I think again our documentation of the school-aged requests had been really influential.

There will always be those who view our services as indirect and say, well, would you not be better spending those dollars on direct child care subsidy. I think it is outrageous that this country has gone this long without any framework with which to view child care. I think Abby has spoken to that, and often I feel in the resource and referral agencies we are sort of coming in after the fact and sewing together what has evolved really as the patchwork quilt policy of this country.

We are not going to change that kind of a policy overnight. Perhaps the best we can do is embroider it and sort of fix it up so that at least it can provide some basic warmth, but I think that you really need to view our role as, on the one hand, a service role, but

perhaps equally a planning role, and that is something that has been very lacking.

Mr. LANTOS. Yes. I appreciate this very much, and I hope you did not misunderstand me. I think the work you do is invaluable, but, basically, it seems to me—and the longer I listen to the testimony of everybody, the more I study the issue—it seems to me that society has not yet crossed the Rubicon in understanding that just as in a previous age, we needed schools that took care of children from 6 to 18, and then with the increasing demand for more highly trained people, we had a need for universal higher education, which we are trying to solve at the community college system.

There is this whole vast arena of children under 6 who, in the new work environment, and we have been through the statistics, are entitled to quality facilities all over the country, and what we are really doing is we are piecing together in a singularly incomplete and inadequate fashion some little patches where this is done. I have not heard any of the presidential candidates for 1988 say one of the most serious problems we as a nation face is that although the majority of women with small children are in the work force, there is no place for them to leave their small children. This is a national issue that has not yet surfaced as a national issue. Would you agree with that?

Ms. SIEGEL. Oh, certainly, I will agree with you, and I think that is one of the things that we are able to do in resource and referral. I know in looking at some of the people from San Mateo 4C's, we spend quite a bit of our time responding to the media, whether they are looking for a school-aged parent whose child is home alone to interview next week or whether we are doing the talk shows, you know, whether it is A.M. San Francisco talking about how to look for child care.

All of those perhaps small but combined large public education efforts are important, and certainly the overworked underpaid child care workers of this country do not have time to be running to every TV show, to every talk show, to every new quarter that might want to interview them.

In R&R we have really privileged information. We talk to 50, a 100 parents a day in each of our agencies, probably, you know, more like a 150 here in San Mateo County. We can share what they share with us back to the public, whether that is TV reporting, whether that is a Congressperson, whether that is a business leader, and I think it is that kind of sharing that, for example, convinced the Bank of America to get a little bit more involved.

Mr. LANTOS. Let me pursue that a bit, and I would like any of you to get in on this.

In San Mateo County, for instance, 95 percent of our businesses are small businesses. By their very nature, they clearly are not going to provide onsite facilities because that is absurd. If you have 10 employees, you cannot have an onsite facility.

So, basically, we will be looking to a very large extent to homes where these children will be accommodated. As I recall your testimony, you said that you represent 350 homes in the county out of about 500 which provide these services, which is a pretty good penetration, but it still leads me to a question and I wonder if Ms. Furuike might start the answer.

In your experience with licensing, what would you say are the main reasons why those 150 homes do not belong to the organization?

Ms. FURUIKE. I am not sure that the organization gets all of the publicity that could be had. When we provide orientation about licensing, we provide specific information.

Mr. LANTOS. But suppose I have now decided that I want to have such a home and I know nothing about it, which I think is typical of most people who go into this field, am I correct? And then I look around and I see that there is a countywide organization which has 350 members and they do all kinds of useful things. The negative is I have to pay some dues. Whenever you belong to an organization, you have to pay some dues and that discourages some people who just do not want to pay a dime for services they get.

But beyond that, why, if the San Mateo experience is typical, and I do not know if it is typical or not, why do a third of these homes that do provide services choose not to become affiliated or some choose not to become licensed?

Ms. COHEN. Just to respond a little bit, I think that you really do need to make a clear distinction between not being licensed and not belonging to what, you know——

Mr. LANTOS. I see the distinction.

Ms. COHEN. I would like to suggest that at least part of it has to do with the nature of the work, that, in fact, it is such demanding work with such long hours that, certainly as a lawyer, I have the luxury of leaving my office to go to a bar association meeting during the day and I can get together with other people. It is much more difficult for a family day care provider to find the time, even more so than child care center staff, where they are required to be at their homes ready to receive children at 6 o'clock in the morning and frequently a parent does not come to pick a child up until 6 o'clock at night. They have been there 12 hours. You are not about to go to an evening meeting, and despite the fact that I know that the Family Day Care Association is making a big effort to try to arrange their meetings and training at times when providers can make it, it just is a real strain on people doing a hard job.

Mr. LANTOS. Let me ask, anybody else want to comment on this? Yes?

Ms. WHITEBOOK. Well, I also want to add that I think that although many providers consider themselves doing professional work and join the association as a way to get support and to meet with colleagues, an awful lot of people who are doing child care, especially given what it is paid, are doing it just as a way to get money, as sort of a temporary stopgap measure. They do not really see it as a career and, consequently, they are not going to affiliate with other like-minded people.

Ms. FURUIKE. About your comment about unlicensed care. Again, I think there is an element of ignorance. Sometimes people say "I am babysitting, I am just taking care of a couple of kids for this lady and a couple for my next-door neighbor and so I don't need a license." There has not been the kind of information given out as widespread as it could be about what the requirements are, who needs to be licensed and who does not.

Ms. COHEN. Just to piggyback on that for a minute, too, I think probably the interesting thing, the phenomenon in child care, what is fascinating about it, is that it is something that was once done in the home that is now being moved out and what you are finding is that you are sort of looking at it at a time when it was on its way moving out of the family into the modern type system and for that reason, there are many people who do not realize that it is even subject to any kind of licensure. We are moving toward a system where there is recognition of the kind of professional requirements that are necessary to really do an adequate job with children.

I frequently get this with legislators in the State of California, who say, well, gee, you know, I do not see what is such a big deal about taking care of kids, you know, I take care of grandkids, whatever, and I use as an example, have you ever tried to—can you imagine having your kids have a birthday party from 9 to 5 every day of the week. That is the difference. It is group care. It is not just care for your child or your friend's child. It is a group of children together and it is a different experience.

Ms. SIEGEL. I think just in terms of overall public awareness, as you were speaking earlier, there are still people who go into the business, particularly a family day care, for very personal private reasons, and it may take them a year, it may take them 2 years before they are really ready to move from that sort of private position to something more public.

I think part of our role in the California Child Care Initiative Project, when we have the time and the funding to do recruitment and training, is that we can get people a little more informed, a little more warmed up. I mean, that is the kind of extra effort that an R&R agency can make, when funds are available.

But it really is in a very basic sense community organizing. It means being able to go out to someone's home, being able to talk to them at length, not to have to leave after 5 minutes, not to have to sort of cut their call off on the phone because you have got five others who are on call waiting or on hold.

I know that here in San Mateo County, your resource and referral agency has been underfunded for the last 6 years because your county has grown, the providers and parents that they need to serve have expanded and, yet, their funding base from the State has, unfortunately, not expanded.

So, some of our ability to bring people into the field is really our ability to have the time and extra effort to communicate with them.

Mr. LANTOS. Analytically, correct me where I am wrong, it seems to me that we have really three kinds of problems. First, to persuade by whatever device the giant employer, tax benefits if it is a private entity, by persuasion if it is the county of San Mateo, to do onsite programs. This is basically a job of persuasion and tax benefits, and this will take care of a certain percentage of the problem.

The second issue, as I see it analytically, since there is an inadequacy of slots, is to persuade these wonderful families to have more such families, instead of having 350 to have 750, so there is not a waiting list, so they can accommodate.

And then the third issue is the funding issue because even if all the slots are available, large numbers of parents clearly cannot

afford that, and that is a State and Federal responsibility of providing adequate funding.

Do you see this as distinctly as I do? Are these the three problems?

Ms. SIEGEL. Well, I think that perhaps the first point. I think that most of us, when we look at the child care problem, we look at the supply, we look at the demand, and we look at quality.

Mr. LANTOS. Yes.

Ms. SIEGEL. And I think that you have certainly incorporated those pieces of the triangle into your analysis. I think that to persuade giant employers or large employers that an onsite center is the solution is perhaps a bit short-sighted because we still hear from parents in our referral work that while many parents would be pleased to have a Geokids onsite, there are other parents who would really prefer to have their children in their own neighborhoods, close to their own homes.

So that I think we want to be cautious in our work with employers not to give them only one option. It may be that to persuade an employer to really put in to place a good DCAP, if you can get the IRS to fix some of their regs as Abby outlined, or some sort of voucher program. Or there could be a fund for the local R&R to administer where employers can basically subsidize a part of the child care costs of their employees but not necessarily an onsite center.

I think onsite centers raise barriers for a lot of people, and I think that as we create public policy, we need to be careful that that is one of the options that we certainly mention, but that we not give people the impression that that is the only way that employers can help.

I think that the parental leave issue that Abby raised is one that has to be underlined. It is a great challenge to find quality care for babies who are 6 weeks old. I do not care if they are the very best providers in the world. I mean, we are talking about licensing regulations in California that certainly restrict the number of infants that you can have. I think it is two babies.

Mr. LANTOS. Well, the Congress is going to vote on this issue in the next few weeks.

Ms. SIEGEL. On parental leave. Yes.

Mr. LANTOS. On parental leave.

Ms. SIEGEL. And I would certainly hope that, because that is an issue that is coming before you, that you understand——

Mr. LANTOS. You need not worry how I am going to vote on it.

Ms. SIEGEL. You know, child care is sort of like a bean bag chair. You know, you push it one way and it pops out in another, and I think that the problems have been—it is an issue that has been so neglected for so long that there is no quick fix. We would all like to think of one, but I think it is going to take a more—and I think that if you have a chance in the near future to review the comprehensive child care legislation that the Alliance for Better Child Care Coalition—and all of us, Marcy, Abby, and myself, have been involved in those efforts—I think what you will see is certainly a first attempt and it is going to go through several refinements, but I think that child care organizations, labor, employers groups, from all over the country have really made a concerted effort in the last

year to come together and put together a child care agenda that is not off the charts in terms of what it asks the Federal Government to do, but really becomes sort of a cornerstone of what could be a sane and intelligent policy for the country.

Mr. LANTOS. Congressman DioGuardi?

Mr. DIOGUARDI. I will just submit my questions for the record. Thank you for your testimony.

Mr. LANTOS. I want to thank all four of you. It was very enlightening, very informative, and I learned a lot.

[Ms. Cohen's and Ms. Whitebook's responses to additional subcommittee questions follow:]

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
BILL GRANT, FLORIDA
TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
JOHN L. RYS, ARIZONA
ERNEST L. KONNYU, CALIFORNIA

225-4781

ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

December 15, 1987

Ms. Abby Cohen
Director
Child Care Law Center
625 Market Street, Suite 915
San Francisco, CA 94105

Dear Ms. Cohen:

As we complete the preparation of the record of the Employment and Housing Subcommittee hearing in San Carlos on child care needs of working parents, we would apprecite your response to the following questions:

1. You referred frequently in your testimony to the need for high quality care. Does this imply a need for Federal standards, and should all the Federal approaches which you recommend be tied to such standards?

2. To what extent do you believe that your recommendations (which are broader than the ABC bill now pending in Congress) would require increased Federal expenditures, compliance programs, and interference with state/local prerogatives?

From Rep. DioGuardi:

3. Do you believe that the average public housing resident has the facilities to adequately care for youngsters in a home daycare situation? Should we address child care needs in this area with on-site daycare programs at public housing premises?

4. You have recommended a kind of space pool to be maintained by the local public school districts, making extra area available for daycare. Do you know of any instances where such a program has been instituted and how it has worked?

I hope that you will be able to reply by January 20 so that we can include your response in the printed record of the hearing. Thank you for your cooperation.

Best wishes for the holidays.

Sincerely,

Tom Lantos

TOM LANTOS
Chairman

ABBY J. COHEN
Managing Attorney
CAROL S. STEVENSON
Staff Attorney
HEIDI STRASSBURGER
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COMMITTEE ON GOVERNMENT OPERATIONS
JAN 11 1988
WASHINGTON OFFICE

January 4, 1988

Congressman Tom Lantos
Employment and Housing Subcommittee of the
Committee on Government Operations
Rayburn House Office Building, Room B-349-A
Washington, D.C. 20515

Dear Congressmen Lantos and DioGuardi:

Thank you for the opportunity to testify before your committee and to respond to the follow-up questions I recently received. Rather than rewrite the questions posed to me, I simply note here that my responses to your questions track the specifically numbered questions of your letter to me dated December 15, 1987.

1. The issue of federal standards. In some ways the issue of establishing federal standards for child care is even more controversial than it is for other fields, although few would venture to suggest that there are such major differences in the manner in which our children need protection from state to state that no common ground of regulation could be established. Instead I think the reasons for not supporting a fixed federal standard are threefold: first, for historical reasons, second because of the danger of the standards remaining fixed and not changing as rapidly as needed and finally, a recognition that there are some regional differences which do necessitate some different regulations. Let me elaborate.

Standards of licensing in child care do not ensure quality child care, nor should they. Regulatory standards instead establish a floor below which no care can be offered safely. However, such a floor is not fixed. As knowledge is gained about what is healthy and safe for children, as we understand more about child development and as new situations arise which endanger children, we must have the flexibility to change those standards. Essentially we should see the floor continually rising. Quality child care demands that there be not only this basic minimum health and safety standard, but that there be much more than the basic. Thus, a regulatory standard is a necessary but not sufficient requirement of quality child care.

Perhaps the greatest reason why there would be great difficulty establishing a federal standard in child care is historical. It would have been most appropriate to establish federal child care standards at the historical moment when the child care delivery system was just beginning to emerge in the states. In fact, an attempt was made in this direction with FIDCR. However, the subsequent refusal of the federal government to play a leadership role in this area created a vacuum which was soon filled by the states. What resulted was a patchwork of state regulation, with some states having an excellent regulatory framework, and others with very poor regulations, including a few that have virtually no regulation at all. The framers of the ABC bill recognized this and have attempted to reintroduce a federal role while recognizing the current diversity that exists within the country. It is of tremendous importance that in our efforts to "bring up" the regulatory level of some states, we don't "drag down" the regulatory level of other states like New York and California, which frequently occurs when monies are tied to compliance with regulatory standards.

One concern I have about the ABC Bill which I would like to see remedied would be that the National Advisory Committee established to develop federal recommendations for standards not be a "one-time only" body, but a group which reviews the regulations every so many years. As I previously stated, it is important to remember that regulatory standards should be a rising floor as we learn more, not a fossilized standard like the $160 AFDC income disregard that no longer buys a mother decent child care but is a permanent fixture in our welfare statutes. One of the reasons to retain regulatory control over child care in the states, with the development of recommended federal standards would hopefully be the speedier response time of the states in developing regulations and implementing them. To be perfectly honest, while the federal government agencies do not have a sterling record of developing regulations in a timely fashion, neither do some of the states, so this particular reason for state control may not be as compelling as the historical reasons cited in the paragraph above.

Finally, even if recommended core standards were established by the federal government, in recognition that there are some safeguards for children we not only all agree on but see as critical no matter where children are cared for, I think there still needs to be acknowledgment that there remains meaningful regional diversity in this country. Warmer areas will need regulation of swimming pools and swim instruction, colder areas will need regulations for the safety of wood stoves and furnaces and so on.

2. Federal involvement. My previous response has already dealt, to a sufficient extent, with concerns regarding "federal interference with state/local perogatives". I think my perspective is clear in that I think there is a role for all levels of government in child care and that since I view their respective roles as different, it

is possible to work out a cooperative relationship which is not one of competition and interference. On the other points, there is no question but that the federal level of expenditure on child care programs must be increased dramatically, and of course, any time that is done, I believe there should be increased accountability for money spent. However, the lesson we have learned at the state level is not that accountability should be translated into more paperwork--this inflates administrative bureaucracy and diminishes the direct services so desperately needed. Instead, we ought to be soliciting advice from our Inspector General's and GAO's etc. as to how we go about ensuring maximum accountability with minimum expenditure for regulatory programs. I believe there has been insufficient exploration of this problem.

3. Child care in public housing. The issue of child care programs for children in public housing is extremely important and like most issues in child care requires that we respect parental desires for options and acknowledge that different conditions in different public housing projects require different responses. I think that the option of child care programs on-site must be available. For many parents, this is desirable not only because it means having their children nearby and being cared for in a familiar environment, but also because it often better enables a parent to become involved in the care of the child at his/her child care program. This would mean that family day care could occur without restriction and that space for a child care center with secure outdoor space must be available. Beyond the subsidies necessary to keep the programs operating, it also means that support must be offered for furnishings, equipment, materials, decent teacher salaries and security.

At the same time, we need to support efforts of parents in housing projects who wish to see their children experience the world beyond the housing project. This is particularly important for those children living in some of the public housing stock in this country which is unspeakably bad--falling apart, rat and roach infested, and frequently subject to the type of violent crime many of us are fortunate never to experience. Many of these projects have little if any usable outdoor space for children and lack decent play equipment. And, perhaps most significant of all, if we wish to expose our youngest children to what society has to offer, and not relegate them to a segregated system of education from the earliest days, it makes sense to try to break that cycle for those parents who would like to see their children be cared for in environments outside of public housing. We have that opportunity in a way we don't have with public education, by offering child care at the workplace rather than exclusively at the place of residence, for workplaces frequently have a more varied economic mix than our public schools. This will require that we pay for subsidies for child care and for their transportation to and from the child care

program--we cannot expect parents in poverty to use public transportation at the end of the day and spend two hours traveling across town to pick up their children after work and bring them back home to the neighborhood.

4. Space Banks. Since one of the greatest impediments to the development of a greater supply of child care is the lack of licensable space, it makes sense that we should try to identify all the space in a community which might be usable for child care, both because it is licensable and currently available. As a start, I would recommend that every school district be required to survey its space, determine its surplus (for lease or sale) and make this information easily available to the public. This space should be made available at low or no fee to child care programs, which should also receive a high priority for use of the space. Yet, we should not stop with the schools. Churches are also a good source of space. We should encourage our local churches to identify their unutilized space and make it available for child care. City governments can do the same; we have many cities which are holding vacant properties which could be used for child care pending plans for their development, as long as these locations could be leased for a minimum of a few years. Finally, we should encourage all property owners and real estate brokers to be thinking about how properties they own or try to sell or lease might be suitable for child care purposes--learning about child care's space requirements and developing channels to the child care community to get the word out about low cost suitable space.

I hope that these responses are helpful to you as you continue to develop solutions to our child care problems. I look forward to helping you in the future.

Cordially,

Abby J. Cohen

Abby J. Cohen
Managing Attorney

■ Child Care Employee Project

6536 Telegraph Avenue, Oakland, California, 415/653-9889
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January 5,1988

Congressman Tom Lantos
House of Representatives
Employment and Housing Subcomittee
Rayburn House Office Building, Room B349-A
Washington DC 20515

Dear Congressman Lantos:

Thank you for your letter of December 15th. I am pleased that you forwarded my article to the Women's Bureau. I read Ms. Dennis' response with interest. I am, however, somewhat unclear as to what opportunities exist for changing classification for the 1990 census.

I would be interested in discussing with your staff what the next step should be. Should the article be forwarded to the Census Bureau and the Department of Labor? Would it be helpful for me to develop specific recommendations? I hope you will inform me as to how to proceed. From Ms. Dennis' response it appears there's not a great deal of opportunity to affect change, but I hope we can do something.

In your letter you also asked me to respond to the following question: "As you strive to raise the pay levels of child care workers are you recommending federal, state, local or employer subsidies for child care workers, or do you expect all of them to contribute?" My response follows.

As public policy makers come to recognize the importance of child care workers in providing quality child care services to young children, it is critical that the problem of their salaries be addressed. Of course, given the current limits of parents ability to pay for services, and constraints on public monies, the solution to the problem of low pay for child care workers is a difficult one to imagine. My recommendation would be that no single party, either the government, employers, or parents, provide the full subsidy for decent salaries. The solutions must involve collaborative efforts between the different parties who rely on child care. Currently, throughout the country, people are experimenting with approaches to the problem. In some cases, state monies are being used to augment federal funds to increase salaries (Massachusetts, Connecticut). The Act for Better Child Care, recently introduced into Congress calls for states to develop plans to address this issue. In some communities employers have contributed dollars to child

care training and I see no reason why employer dollars couldn't be used to either augment salaries or to give parents more funds so that program fees could be raised without creating undue economic stress on families. The Child Care Employee Project is currently developing a resource which outlines different approaches to the salary problem. It will be available to the public in March of 1988. I will see to it that you are sent a copy.

I look forward to hearing from you regarding the classification of child care workers. I might add that, in my opinion, the most important classification to change at this point is to separate kindergarten and pre-kindergarten teachers. Please let me know what the next step should be in this process. I appreciate your taking it so seriously, and I look forward to working with you.

Best wishes for the new year.

Sincerely,

Marcy Whitebook / cgp

Marcy Whitebook
Director

Mr. LANTOS. Our final panel is Eleanor Curry, Chair, San Mateo County Advisory Council on Women; Mel Duffy, president, Governmental Research Foundation, affiliated with the San Mateo County Development Association; Edith Eddy of the David and Lucile Packard Foundation; and Mary Petsche, executive director, Child Care Coordinating Council.

I understand, Mr. Duffy, you have to leave fairly soon, so we will begin this panel with you, if that is all right with the rest of the panel.

STATEMENT OF MEL DUFFY, PRESIDENT, GOVERNMENTAL RESEARCH FOUNDATION, AFFILIATED WITH THE SAN MATEO DEVELOPMENT ASSOCIATION

Mr. DUFFY. Thank you, Congressman.

I have been sitting in the back listening to the testimony of others and I think I want to make it clear that the child care issue is truly an employer issue. The employer community is interested.

This is demonstrated by the fact that I am here representing a foundation whose mission statement is to represent the private sector in the public policymaking process.

The enthusiasm by the private sector, I think, extends further. As a former private industry council chairman of San Mateo County, we showed early interest in child care situation. As the president of a consulting company, I was able to work with probably one of the most visionary developers in this part of the country, Joe Callahan, in his master planning process for Hacienda Business Park, which has been shown as one of the key leads of developer-supported, developer-started child care services.

The Governmental Research Foundation report was generated by private sector because we have a concern and we have a concern directly in San Mateo County. There are three societies, we believe, in San Mateo County.

The first is those people that live in San Mateo County but work outside the county. The group that live in the county and work in the county, which is a very small group, and the most growing group is going to be the society that lives outside San Mateo County and works in this myriad of commercial development that we see up and down the east side of Highway 101.

As these developments become occupied, if they do become occupied, it creates another child care issue because those people are going to be of childbearing ages. Because of the housing-jobs imbalance, they will not live in San Mateo County.

We know through the study done by the foundation that the housing costs in San Mateo County are the second highest in the area. The child care costs are identically the second highest of the nine bay area counties.

I want to address the two issues that are most important to us as private sector employers. The developer child care is going to be predominantly a marketing tool for the group of people that live outside of the county and will come to San Mateo County to work. The Governmental Research Foundation, because of this report, is moving forward in an additional study to find out if, indeed, working parents will allow their children to commute.

Dr. Joyce Medizian, of the San Mateo City School District, was a member of the task force, a member of the foundation board of trustees. I believe she has responded in writing to you, she was unable to be here today, I was not at my office when the mail came, so I do not have a copy of that letter, but in a phone conversation with her on Tuesday, I have asked her to please track for us the amount of students California schools now can take whose parents work in this area and vice versa, I have asked her to please track that and keep us informed of it. I think that will be an interesting statistic to coincide with our analysis of will children or will parents allow their children to commute to the workplace.

The second issue are those that live in San Mateo County and work in San Mateo County. Again, I point out San Mateo City School District is one of the leaders in providing latch key child care services. Unfortunately, there are some State stipulations that do not allow the school districts, I am not sure if it is State or Federal, that do not allow the districts to charge for services; therefore, it has to be handled by the YMCA's.

The last issue that GRS is going to address and we are in the process of probing this further is something I heard you speak of a number of times, it is the complexion of the county as 95 percent small business. What can we do? We cannot, indeed, put any kind of child care center. We are going to be working with at least one, possibly two or three, local chambers to find another way to skin the cat, to find a way to see if we can set up a model for child care directed at small businesses.

Unfortunately, it is premature and I cannot report back to you at this time of what we are going to do and exactly how we are going to do it, but it is something that we are committed to explore.

So, I will cut my testimony short at this point. I do have to leave. If there are any questions I can answer for the congressional committee, I would be more than happy to do so.

[The prepared statement of Mr. Duffy follows:]

Statement of Mel Duffy
President, Governmental Research Foundation
San Mateo

EXECUTIVE SUMMARY

The subject of child care is an ever increasing topic of discussion between employers and employees. In some instances, business park or building developers are considering setting aside space in a project for an on-site child care center. Furthermore, there is an increasing trend in both Federal and State legislation regarding child care in addition to activity by city councils and county boards of supervisors.

This Governmental Research Foundation report primarily focuses on employment trends and the relation to child care needs of present and future workers. In the Appendix, there is discussion of current legislation as well as child care supply information.

Child care is especially relevant to San Mateo County since it has the highest number of women in the Bay Area work force (59 percent), and most of these are working mothers. (Fifty-four percent of San Mateo County working women have children under age 6.)

The primary areas of job growth expected in San Mateo County are service industry (9,200 jobs), retail trade (5,900 jobs), and transportation and utilities (1,900 jobs) in the next several years. A majority of the employees in clerical, sales, and service positions in San Mateo County are women. With more growth expected in the service and retail industries in San Mateo County, more jobs will be created in traditionally female dominated fields.

Most San Mateo County women work in positions with relatively low pay (e.g., hotel workers with $15,000 per year), and yet San Mateo County has the second highest child care cost of any Bay Area county (as well as the second highest housing costs). Since other Bay Area counties also have a high number of new jobs in the clerical and service fields, these working mothers will be able to find similar jobs and more reasonably priced housing and child care services. Thus, working parents in lower paying clerical and service sector positions will begin to put two and two together and determine that it is more feasible for them to live and work in another county where the housing and child care costs are lower.

The past several years have seen in increase in the volume of child care legislation both in Congress and in Sacramento, as well as activity by city councils and county board of supervisors. The recent and pending legislation is sure to have an impact on San Mateo County businesses and employees. As public budgets grow tighter, it is predicted that lawmakers will turn more attention to the private sector with inducements and requirements to increase the availability and affordability of child care throughout the state.

In light of this factor and since the vast majority of firms in San Mateo County, over 95%, have less than 50 employees, it may be appropriate to develop an innovative model to encourage small business participation in dependent care issues. This model would focus on approaches which are affordable and relatively easy to implement and administer. The flexible spending account for dependant care costs is a good example. Approaches with a collaborative, public/private focus should also be presented.

What will happen if San Mateo County employers ignore working parents' child care needs remains to be seen. However, we can conclude that it would be in the interest of San Mateo employers to have the labor pool necessary to support and enrich their industries. Neighboring counties which provide similar job opportunities and which are competing for the same work force currently have an edge over San Mateo due to their lower cost of living. However, if employers in San Mateo County begin to offer child care assistance, a benefit known for its positive impact on recruitment and retention, the scales may tip in their favor.

Mr. LANTOS. Congressman DioGuardi?

Mr. DIOGUARDI. I would submit my questions for the record. I appreciate the testimony.

Mr. LANTOS. I do have a question, Mel. I want to commend you and the foundation for undertaking its work.

Mr. DUFFY. Thank you.

Mr. LANTOS. I think it is farsighted and public spirited and very important.

How wide an awareness do you think there is in the business community at large that we as a county are going to be facing growing difficulties in finding employees when both housing costs and child care costs are so much higher than in much of the rest of the area?

Is there a growing or clear awareness of this?

Mr. DUFFY. Retraining costs are astronomical.

Mr. LANTOS. They are astronomical.

Mr. DUFFY. So, it is not just a social issue. I mean, I would like to be able to take our social awareness ballots, but the reality is it costs us money to replace and retrain people.

Mr. LANTOS. Absolutely.

Mr. DUFFY. If we cannot find a solution to child care needs, the water seeks its own level. The minute it becomes so expensive for us, we are going to be more active in, I guess, finding a solution.

We are aware. This report came about through a large employer, PG&E, and a small employer, Henry Morris, a regional CPA firm. I happen to have had a meeting that morning with one of the partners in Henry Morris and as I walked in the office, there were three small children in that office and those accountants could not have child care. So, the firm was allowing child care, parental child care on premise.

Well, we have got to find a way. I mean, we have got to find a way to solve that problem. We cannot be turning over young child-rearing aged executives of quality staff because of the child care issue. We have got to come up with something.

I mean, I hope that answers your question.

Mr. LANTOS. Yes, it does. And, you know, I very much look forward to working with you and with the foundation in solving this problem because I think in a very special way, high cost of living counties, such as San Mateo, have a unique dilemma in this respect because if your housing cost is 30 percent higher than next door and your child care costs are 30 percent higher than next door, you put yourself out of business.

Mr. DUFFY. You are not going to attract quality people. The issue, I think, that this panel or this committee might address is why are those expenses so high. I have heard insurance mentioned. I have sat on other panels and I have heard insurance costs.

I do not have those solutions, but I think we have to look at why the child care cost is so high and what you can do rather than put mandatory requirements or mandatory leaves or all those things. What I would urge you to do is start looking at why the child care cost is so great and what you can do to improve that.

I would think that the insurance industry is one of the first places to look. That and zoning.

Mr. LANTOS. We appreciate your presence and I know you have to leave.

Mr. DUFFY. Thank you.

Mr. LANTOS. Thank you for being here.

[Mr. Duffy's responses to additional subcommittee questions follow:]

TOM LANTOS, CHAIRMAN, CALIFORNIA
LOUISE M. SLAUGHTER, NEW YORK
BILL GRAY, FLORIDA
TED WEISS, NEW YORK

JOSEPH J. DIOGUARDI, NEW YORK
JON L. KYL, ARIZONA
ERNEST L. KONNYU, CALIFORNIA

225-6751

ONE HUNDREDTH CONGRESS

Congress of the United States

House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

December 15, 1987

Mr. Mel Duffy
President, Government Research Foundation
1448 Parkwood Drive
San Mateo, CA 94403

Dear Mel:

As we complete the preparation of the record of the Subcommittee hearing in San Carlos on the child care needs of working parents, we would appreciate your response to the following questions:

1. Your study and plan to investigate workers' views about commuting with their children seem to focus on onsite daycare centers. Wouldn't it be more useful to help your members undertake programs suitable to small employers such as pre-tax Dependent Care Assistance, vouchers, subsidies for earmarked slots in community facilities, etc.?

From Rep. DioGuardi:

2. Would your body view it as beneficial to have a national clearinghouse to call on for daycare information? Who would access such an informational service? Individual companies? Trade organizations? Local Chambers of Commerce like yourself?

I hope that you will be able to reply by January 18 so that we can include your response in the printed record of the hearing. Thank you for your cooperation.

Best wishes for the holidays.

Sincerely,

Tom Lantos

TOM LANTOS
Chairman

M.B. Duffey & Company
Consultants

1448 Parkwood Drive
San Mateo, California 94403
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December 23, 1987

The Honorable Tom Lantos
Member of Congress
1707 Longworth Building
Washington, D.C. 20515

Dear Congressman Lantos,

Pursuant to your December 15th letter, I hope this will adequately address your and Representative DioGuardi's questions.

First, as an introduction to my responses, I must stress that the Governmental Research Foundation is a research organization. We are not advocates. Our mission is to provide private sector input into the public policy making process. We became concerned about the impact of the child care issue as it related to the increase in San Mateo County employment caused by the additional commercial space being built throughout the County.

Our first study, completed in August 1987, showed:

- San Mateo County had the second highest housing and child care costs of the 9 Bay Area counties;
- due to the high cost and lack of inventory in the San Mateo County housing market, there was a high probability that the new employees needed for the companies housed in the new developments would not live in San Mateo County;
- employee recruitment and retention could become a serious problem that might be reduced if consideration were shown in the child care area by employers.

Additionally, the consultant retained to do the original study suggested five areas the Foundation might consider for future action. Of these five points, the GRF Board of Trustees selected two they felt were important, in keeping with our charter and not being adequately addressed by others.

San Mateo County is moving from an out-commute to an in-commute area. As new companies occupy more and more of the commercial space under development, this condition will increase. Based on input from larger resident companies, we know that over 40% of their white collar new hires are living in other communities due to the high cost and/or lack of housing in San Mateo County. Most of these new hires are those of child rearing age. This being the case, the question of children commuting with their parents is an important one that needs to be answered prior to companies establishing on-site day care centers or developers being required to build centers as a condition of permit.

The answer to your question (#1) is that the Foundation's current study is first focusing on the child commute issue. Are there any circumstances under which employees will commute with their children? If not, why? If yes, what are they? If we find they will either not commute or that those conditions necessary for them to do so are far from practical, the conclusion of the study must state that San Mateo County employers should look into other child care benefit programs that will serve the needs of their employees better then on-site programs and that child care centers as a condition of permit is not an effective solution to the child care issue in San Mateo County. This being the case, we might opt to focus on the viability of other child care solutions however, this is speculation at this point.

The second action being pursued is the development of a small business child care model. To this end, a task force consisting of GRF Board of Trustee and the San Mateo Chamber of Commerce Board of Director members has been formed. This group is exploring the potential of establishing a public/private partnership to provide child care slots at reduced cost to employees of small businesses in San Mateo. Once the model has been developed, we intend to introduce the concept to others who might have an interest. I must stress here again that we are not attempting to either reinvent the wheel or develop solutions that are not market sensitive and economically sound. If we find that the model can't be achieved, we will possibly suggest another approach to the child care benefit for the small business operator.

In response to Rep. DioGuardi's question (#2), we feel strongly that a national clearinghouse would be nothing more then a duplication of efforts already being provided at the local level. Individual companies, trade organizations, Chambers of Commerce and the like would be far better served by those local organizations that already provide child care referral services and act as advocates in the child care arena. We believe the child care needs will differ greatly from community to community and those seeking assistance would benefit better from local input. If we are correct in our view, a national clearinghouse would be an irresponsible waste of tax dollars.

In a nutshell, the Government Research Foundation is attempting to ask the required questions and develop cogent action plans vs. react to a perceived social quandary.

Best regards,

Governmental Research Foundation

Mel Duffey, President

Mr. LANTOS. We will next hear from Eleanor Curry, who is chair of the San Mateo County Advisory Council on Women. She has served her community in many, many respects in a distinguished way for a long, long time.

Eleanor, we are delighted to have you.

STATEMENT OF ELEANOR CURRY, CHAIR, SAN MATEO COUNTY ADVISORY COUNCIL ON WOMEN

Ms. CURRY. Thank you, Hon. Lantos and Hon. DioGuardi. Is that correct?

It is very refreshing to have a hearing panel on child care brought to your attention because so many of us are struggling with these issues.

One of the things that I would like to say as I was privy to the testimony all day, rather than going into the information that has already been forwarded to your office, I am going to share some humanistic things that I have observed. I would like to first start by saying having an actress start us off was interesting, especially the fact is vital that she did set a tone in terms of what she had had happen with her family centered around child care. I happen to have 8 children, 15 grandchildren, 1 great grandson, who is 2½ years old. I have been working in community——

Mr. LANTOS. We are gaining on you. We are gaining on you.

Ms. CURRY. I have been working on community issues for approximately 25 years, from St. Louis, MO, to Hunters Point to San Francisco, and I am here in San Mateo County area.

I wanted to particularly say that some of the things that have happened within the black community that I was privy to in the earlier years was the struggles, the sacrifices and the suffering that went along with the child care issue. During those 25 years, too many of the people suffered in silence. They did not have anybody to bring their issues to.

Some of those issues are still prevalent. Superintendent Charlie Knight just gave one example of the frustration she is having in the East Palo Alto area.

I wanted to share some things that I have been hearing about the issues that may not be documented anywhere else. For instance, we have not touched on the number of teenage parents but that definitely must be a part of these hearings. Some of the coalitions had a teenage conference only a year ago and what those particular leaders did was bring the young people and their babies to this conference so they can get the data from the teen parent.

I would hope that you would doublecheck back with that group and get that information. The fascinating thing about that particular day, I recall there was better than 45 young teenage mothers and only 1 teenage father present. We also need to take a look at the teenage father as we look at child care and any plans thereof.

We also need to look at, in my opinion, the role of the fathers beyond 21. Right now, the Advisory Council on Women in our county is looking seriously at the family custody laws; are they being done justly? If there needs to be some improvements, how will they impact the judicial system? So, we are looking at those kinds of areas.

There are parents that have to pay the smaller child care sites whether or not their child is in attendance. For instance, if their child is sick Monday, Tuesday and you bring him in Wednesday and Thursday, you have to still pay for Monday through Friday whether you receive the service or not. There is something wrong with that practice.

The other situation that is happening in some of the business circles is that many women are using their sick leave to take care of their children. Some of the employers will offer 10 days sick leave throughout the year and women have told me that they actually pray they wont get sick. They better not get sick because the mothers feel they must use their sick leave for their children.

I also wanted to take a look at the strain on families in black communities, in particular, when they reared their families then have to pick up the other generations and help out. I had one story where a grandparent said to me, "well, I was going to bring my daughter's child in but then they cut off the check and I do not have enough money for myself." So, she had to let the girl go to a foster home.

So, when we look at those kinds of emotional dilemmas, as we move forward with this, I would hope that we would definitely think about the emotional side. The humanistic side, I would call it if I had to come up with a term. The mercy side, as we struggle to create laws and things that would help others.

The other final area that I would like to point to that I have heard today is about providers. We must take a look at the providers who are already overworked and underpaid. Whoever heard of a 12-hour day with how many kids? But as we move through this, that has to be something to take a look at because when you think of 12 hours just on your job without children; then you have providers that would have that long of a day; and we do not know what they are making financially. That might be definitely something to consider.

So, these remarks are critical to the language and upcoming laws, that we hope will be generated by this hearing. I definitely want the struggle the sacrifice and suffering going on in low-income neighborhoods interwoven into this hearing.

Thank you very much.

[The prepared statement of Ms. Curry follows:]

RECOMMENDATIONS

SAN MATEO COUNTY

ADVISORY COUNCIL ON WOMEN

(Checked items are the recommendations specifically related to childcare.)

ELEANOR CURRY, CHAIR

CHANGING FAMILY STRUCTURES

✓ **Recommendation No. 1a: Increase the availability of subsidized child care through county subsidies and by soliciting support of other businesses, industries and agencies.**

The principal source of funding for child care is state government. Local agencies currently do not have the financial resources to dedicate to this purpose. If expanded child care or latch-key state legislation passes, additional funds would be available. The county's child care plan could establish priorities for underserved areas of the county, and by type of child care. The plan could designate 4C as a coordinator and an RFP process, and the plan could request any applicant to address the priorities contained in such a plan. The Private Industry Council has adopted a budget for 1985-86 which increases the dollars allocated for child care from $10,000 to $15,000, even though overall state JTPA funding has dramatically reduced. Every dollar spent by the PIC on child care is matched by the state. Also the county, Private Industry Council and 4C could develop a campaign and/or handouts to show tax deductions for business contributions to child care.

✓ **Recommendation No. 1b: Facilitate flexibility in selecting quality child care through the use of voucher reimbursement as well as slots in child care homes and centers.**

The county acknowledges the importance of having parental choice in the child care provider. The issue of expanding voucher (parent) or vendor (provider) payment for child care can only be addressed with additional funds from the state. It is also important that a child care plan support center-based child care, family day care networks, and home-based care through vendor payment mechanisms.

✓ **Recommendation No. 1c: Make San Mateo County a model of employee supported child care. (The Advisory Council on Women applauds the Parent Resource Center as an initial step.)**

The county has already established a model program with the Parent Resource Program. How the county should next proceed must await the evaluation report and the policy questions raised through the one year experience with the Parent Resource Program. The Director of Community Services will be soon submitting an evaluation report to the Board. The Employee Committee for that project will also make a report.

Recommendation No. 1d: Encourage business and industries that are willing to provide employee supported child care (e.g. including child care as a choice in employee-benefit packages, on-site centers...) to locate in the county.

The PIC has applied to the state for funding to produce marketing instruments for attracting businesses to San Mateo County. If this project gets approved, it could include information to encourage the provision of child care as an employer sponsored benefit.

Perhaps the 4C experience with the three year "employer supported child care" project could be the subject of a new promotion -- showing insights, suggestions and trends. Perhaps a new community profile brochure or other type of publicity could be developed to advertise the more recent socially conscious interests that are being developed. Any such effort should obtain a commitment from a few major employers to give credibility to the effort.

Recommendation No. 1e: Encourage the provision of child care facilities in residential development planning and encourage city governments to do the same.

The county already does this and will continue to do so. It should be noted that most large scale developments which might include such child care facilities occur in cities. This recommendation will be presented to the County Regional Planning Committee which includes represenatives of many city governments.

The county also encourages the Advisory Council on Women and the Child Care Coordinating Council to contact city councils and planning commissions regarding the possible inclusion of child care facilities in residential development proposals. It may be possible for those cities that have undertaken tax increment financing for redevelopment purposes to allocate a portion for low and moderate income child care subsidies or facilities.

Recommendation No. 2: Direct its lobbyist in Sacramento to actively support state latch-key legislation and expansion of other forms of state subsidized child care.

The ACW along with 4C should identify the key state legislation and their impact to San Mateo County. Their analysis should be submitted to the Director of Community Services who in turn will submit a resolution to the Board of Supervisors directing our lobbyist to take appropriate action.

Recommendation No. 3: Acknowledge and give urgent priority to remedying the lack of infant care in San Mateo County by becoming a model employer, by providing parental leave for both sexes immediately following the birth of a child, and by encouraging business, industry and government to establish on-site or cooperative efforts to provide quality infant care for children of employees.

The county presently grants parental leave to both sexes. However, there is no specific parental leave policy. Currently such leaves are available through various Memoranda of Understanding and Section 2232.2(d) 1c of the Ordinance Code, Leaves of Absence Without Pay for Personal Reasons. The county can explore creation of a specific parental leave policy but changes to the Ordinance Code and various Memoranda of Understanding would require negotiations with the employee organizations.

The county should review the experience and evaluation of the Parent Resource Center before moving into new areas of child care, particularly as it relates to a "model employer". This could provide an opportunity to increase awareness countywide on the need for child care, to review the insights gained by 4C and its "employer supported child care" project, and perhaps hold seminars on such insights, or develop new or additional materials for distribution.

Recommendation No. 4: Review the District Attorney's Family Support Division record and report on its finding of delinquent fathers and collection of child support payments. The Advisory Council further recommends that the county develop a mechanism to be used in emergency cases to fund short falls in payments to caretakers.

The Family Support Division's caseload for 1983-84 averaged 9,000 active cases, 6,000 were AFDC cases and 3,000 non-AFDC. An average of 342 cases are opened every month and 319 cases are closed monthly. Each Family Support Division caseworker has an average of 575 cases.

In fiscal year 1983-84, the Family Support Division collected $5,381,095, with $2.5 million AFDC collections and $2.9 million non-AFDC. The average AFDC collection per paying case was $154, and per non-AFDC case, $165.

Approximately 6,000 of the 9,000 cases have the absent parent located, paternity established, a support order established, and billing sent out each month. The remaining 3,000 cases are in other stages of processing, such as the whereabouts of the absent parent is unknown, paternity has not been established, or no child support order exists.

By way of comparison, the following tables show other counties with similar caseloads and various activities for fiscal year 1983-84:

County	Caseload	Collections	Absent Parents Located	Pat-ernity Estab.	Supp. Order Estab.	Enforcement Actions*
San Mateo	8,926	5,381,095	3,654	663	1,045	3,108
Santa Barbara	11,406	4,826,436	2,780	294	606	1,633
Solano	12,283	3,798,055	206	534	256	359
Sonoma	10,883	5,482,964	847	474	636	2,081

*Enforcement actions include criminal 270 filed, wage assignments, contempts, writs and liens on property.

As to the second part of the recommendation, for those who are truly needy, the welfare system exists; and anyone who applies for welfare assigns the District Attorney's Office the rights to child support, so the welfare grant is not affected by a delinquent or non-paying absent parent. The collected child support is then applied to offset the welfare grant.

Statistics indicate that a woman's disposable income is 29% of what it was prior to the dissolution, while a man's disposable income increases. This along dictates a substantial change in lifestyle for the woman.

There is no mechanism currently nor readily available to establish an emergency fund such as suggested. This would require the taxpayers of San Mateo County to subsidize those who are not eligible for welfare, with no guarantee of reimbursement, since the whereabouts of the absent parent may become unknown or may enter a long period of unemployment.

The cost to the county taxpayer of implementing this suggestion could be several million dollars each fiscal year, dependent upon when the "emergency" fund would be used. Additional staff would be necessary to implement this, as well as extensive record keeping and means tests for the custodial parent to determine who is in need.

Rich

Recommendation No. 5: Direct the appropriate county departments to publicize the new federal legislation regarding collection of child support payments and make available an information sheet to be distributed with domestic forms for dissolution proceedings.

The "Handbook on Child Support Enforcement" published by the U.S. Department of Health and Human Services, Office of Child Support Enforcement is available in the Family Support Division.

This handbook is also distributed at all public meetings and presentations attended by division staff and the court has been given a supply of these for distribution. Area newspapers and national publications have described the "Child Support Enforcement Amendments of 1984" in detail.

> Recommendation No. 6: Provide leadership in establishing a cooperative effort of the various levels of the educational community, researchers, professionals, private, non-profit and government agencies to study and formulate a comprehensive long-range plan for a child care system in San Mateo County that builds on the Child Care Plan for San Mateo County adopted by the Board in 1984.

The recommendation for a comprehensive cooperative effort is too broad to consider as recommended. As an alternative there might be a half day or full day workshop sponsored by ACW to help identify specific subjects that could be addressed by some coalition of interests.

Another alternative is for the county to join with a few other employers and union representatives who might be interested in studying or becoming familiar with issues that relate to employer supported child care. Such a committee might capitalize on the 4C experience with its "employer supported child care" project as well as the county's experience.

> Recommendation No. 7: Recognize a growing need for the continued support by supervisors of community agencies that have programs that support families by assisting them in decision making and with negotiating and parenting skills. Such programs reduce stress on family members of all ages and help lower the risk of further disintegration of families.

The Department of Social Services recognizes the need for support groups, however its staff effort is generally limited to intervention in more serious hardship situations.

The broader community should have a greater awareness of the value of support groups. Perhaps DSS and 4C and ACW could coordinate a more widespread program that promotes I&R services, encourages support groups through church groups, PTA's and others' and helps identify existing support groups and their services.

> Recommendation No. 8: Identify, encourage, support and fund community programs which offer support to distressed parents thereby reducing inappropriate pressure on children to assume adult support roles.

The Department of Social Services funds community programs which offer support to distressed parents while focusing on the prevention of child abuse. One group treatment program for parents has as one of its objectives the encouragement of more age-appropriate expectations of children. It is run by the Peninsula YMCA. A second program administered by Crittenton Friends, Inc. provides parenting counseling and group support to fifty single mothers who are pregnant or who have infant children. Finally, the Mental Health Division and Youth Service Bureaus provide crisis and group counseling to distressed parents thoughout the county.

There is no consensus on what is the proper response regarding support to distressed parents generally. The county would welcome the ACW to examine this issue more deeply.

Recommendation No. 9: Assist the business community to understand the pressures facing single parents and two income families related to child care and supervision, and encourage employer support of workers in their role as parents.

The county is interested in working with ACW and 4C in reviewing the lessons from the 4C "employer supported child care" program. The insights and lessons from this program and the county's Parent Resource Center Project could be developed and promoted to target groups (unions and employers).

This question and Item 8 could be expanded to include "dependent" care, since elder parents and handicapped family members are also a concern.

Recommendation No. 10: Consider negotiating with the State of California for the county to resume the authority to control the licensing of daycare homes and centers rather than the state, as is now the case, to ensure the high quality of all child care programs in San Mateo County.

Supervisor Speier has formed a task force that is examining this possibility. Members include representatives from Assemblyman Lou Papan's Office, the San Mateo County Police Chiefs Association, the Child Care Coordinating Council of San Mateo County, the Family Day Care Association, Center Based Child Care, the District Attorney's Office, FACSAC, the Social Service Department's Citizens Advisory Committee and the County Department of Health and Social Service Department. The Environmental Health Director is working with the State Environmental Health Directors Association to enhance cooperative arrangements between the state and local licensing and environmental health workers. His staff is assisting Task Force members in monitoring the several changes requested by the county of the state licensing agency. When this monitoring effort is

completed in six months, Health Services staff will continue to work with the Task Force in making a final decision about transferring family and child care licensing responsibility to the county.

The Maternal, Child and Adolescent Care Medical Director and Public Health Nursing staff have designed medical care protocols, with the cooperation of the Child Care Coordinating Committee (4Cs), for family day care and child care operators. This material is now being presented at county workshops, and with the assistance of 4Cs the protocols will be distributed to all licensed operators in the county. A more extensive training program for promoting positive health care practices is now being developed.

Recommendation No. 11: Direct the Private Industry Council to spend maximum dollars to obtain maximum matching funds for child care for all programs.

In 1984-85 PIC provided $15,000 and the county $28,000 for a total of $43,000 toward the state matching funds for child care. The state has about $75,000 available to be matched. It is recommended that ACW and 4C join PIC in undertaking a promotion to solicit more funds from private sector or cities, school districts, foundations and others for the 50:50 match. It may be possible to raise the additional $32,000 that could be available for this fiscal year, and start toward another $75,000 in 1985-86.

Recommendation No. 12: Direct the Advisory Council on Women or other existing community advisory body to meet and confer with county judges:

12a. To publicize child support and alimony payment schedules and percentage compliance.

Attached please find the Agnos Legislation which becomes effective July 1, 1985, and also please find attached, a copy of the Santa Clara County Schedule of Guidelines which was adopted in San Mateo County Superior Court as the Support Guidelines for San Mateo County effective March 1, 1985.

San Mateo County, under a new local court rule, implemented the Agnos Legislation effective March 1, 1985, and no child support orders after that date should fall below the Agnos Formula without just cause. The new San Mateo County Support Guidelines is slightly higher than the computation of the Agnos Formula. The court has discretion in ordering a monthly child support obligation consistent with the new guidelines. However, it cannot be lower than the Agnos Formula.

The Agnos legislation was written to mandate minimum child support orders. The needs of the children and the income of both parents must be considered to ascertain how much support will be awarded.

Mr. LANTOS. Thank you. Thank you very much, Ms. Curry.

Let me just say that your contribution filled a very important gap in this hearing all day, and I suspect I am second only to Ann Benner on my staff in recognizing your contributions.

Ms. CURRY. Thank you, Mr. Chairman.

Mr. LANTOS. We are very fortunate in this area to have the David and Lucile Packard Foundation, that has reached out in a countless number of directions to deal with the problems of the community.

I am delighted to welcome Edith Eddy of the foundation to give her views on this very critical issue we face.

STATEMENT OF EDITH EDDY, DAVID AND LUCILE PACKARD FOUNDATION

Ms. EDDY. Thank you very much, Congressman Lantos, Congressman DioGuardi.

I had a dream the other night about this testimony in which, by the time it was my turn to speak, everyone, including the panel, had left. So, I want to thank you for still being here!

My interest and involvement with child care goes back to when my own children were young, at which time I became the president of Stanford University's Child Care Center. At the time when the university was trying to make a decision about whether they should have a permanent center for children or not. We were housed in a condemned school building and happily the university decided that child care was a significant enough need that they agreed to provide us with permanent portable buildings.

Around the same time, I was also appointed to Palo Alto's Child Care Commission and eventually became the vice president of a nonprofit corporation called Palo Alto Community Child Care, which set, I think, a very important precedent for city involvement in providing child care services.

Since 1981, I have worked for the David and Lucile Packard Foundation and among other areas, including teenage pregnancy and juvenile justice, I also handle our grants for child care. Because I work in several areas, I can see some of the connections that have been brought up today between what happens when children are very young, and what happens when they are somewhat older and their lives begin to become more complex. I believe the connection is very direct and very pertinent.

The Packard Foundation, which was started 23 years ago, is located in Los Altos. It has a very strong interest in children and youth which reflects the interests of Lucile Packard. At this point, the foundation has assets of $143 million. It is in the process of growing to be a much larger foundation; however, I believe we will always have an interest in children and in child care.

Out of our total grants budget for 1987 of a little over $9 million, we will give half a million for child care this year and our special interests are infant care, sick child care and care for handicapped children.

My observation over the last 6½ years of working in this field is that Government support has continued to decline. According to a recent governmental bulletin, in dollars adjusted for inflation, the

Federal Government is providing 28 percent less for child care in 1987 than it provided in 1981.

At the same time, we have seen from a foundation point of view a tremendous increase in demand and a small increase in the involvement of the private sector. The interest of the private sector is one that we have particularly tried to nurture by developing a foundation corporation child care task force, starting in 1983.

This task force is made up of people from 15 different corporations and foundations in the area that have an interest and concern in child care. We have commissioned a series of studies and then provided some pooled funding in areas where we think there is a particular need.

Our first study was to try to determine what the greatest needs for child care were, and those were predictably the need for more affordable care, the need for more infant care, for school-aged care, for quality care and for information and referral services.

The second study we commissioned was to take a look specifically at sick child care. This was in part because we wanted to find a way to involve the major employers of the area, and we felt that sick child care was an area that would most dramatically touch their interests because when parents are unable to come to work, it has a very direct impact on the employer's productivity.

We found that there is very little sick child care. On any given day in this area, there are 24 slots for sick children. We found that what care there is, and we looked at models all over the country, is very expensive.

There are two main models; one model involves the child staying at home and a trained person coming into the home. A number of experiments have been done, including one at DeAnsa College locally, to train older people to be home day care providers for sick children. This seems like a very good solution, but then you run right into the problem of insurance and that still seems to be a sticking place.

The other model is to have a sick child care program where children are brought to a center. This model is becoming increasingly popular. Stanford University Hospital is starting a sick child care center that will open in 1988. The disadvantage of this model is that you have to, as one person put it, "schlepp" your sick child across town and nobody particularly wants to do that. It is often less expensive, however, because you can spread the skill of one adult provider over a number of different children.

Our third study, which we commissioned in collaboration with the Santa Clara County Manufacturing Group, was to assess the policies of the 80 major employers in Santa Clara County, and we got a surprisingly large response from that, including one piece of the survey which asked CEO's to respond and 15 CEO's personally responded. The survey cited that the interest in child care in Santa Clara County is growing, but it is still—does not include any onsite child care. The closest we have is Syntex with child care a mile away.

A second major area that the Packard Foundation is working in is child health. We have been trying to see if there is some way we can improve the health of children, particularly those from low-income families, who are in day care.

In developing this program, we have learned that the majority of children who are cared for outside of the home, in this country are cared for not in centers but in homes, and most of the homes are unlicensed. We learned that in some parts of the country, 80 percent of the children are in unlicensed centers or homes.

We were particularly concerned with the provider who was not only unlicensed but relatively uneducated, not speaking English in many cases, and we wondered if there was some way we could reach those providers and provide training about health care.

So, we developed a program and we are currently funding six different interventions. It is a 3-year program that includes very extensive evaluation not only of the change in knowledge of the providers, but also of the health status of the children the interventions include monthly home health visitations, video tapes, audio tapes, workshops associated with licensing, posters you can put on a wall, or little notebooks that you can give to a provider that are keyed for different topics, such as how do you prevent accidents, how do you recognize and deal with infectious disease, when should you isolate a child, when should you turn a child away, etc. The problem of illness in child care is one which is a large and growing problem. It deserves to be addressed.

The recommendations I would make are probably naive because I am not very familiar with the Federal Government and I do not know a great deal about what you can and cannot do. The obvious one is to provide more money.

A less obvious one has to do with improving the quality of child care. I was impressed particularly when I followed around a home health visitor in the Los Angeles area of Watts, at what a really lousy home day care situation looks like. I had not seen it before and I do not know if you have seen it, but a home day care situation that is not what I would consider quality looks like this.

First of all, there is an enormous television set and it is on all day. That is the program. The house may be clean or it may be dirty, but there is very little child development activity going on. You may very well find a child who is missing their front teeth and their bottom teeth because they have been sucking a bottle all the time because no one knows that that destroys teeth. So, a 2-year old with no teeth in their mouth is a result.

I think that one of the most important things that the Federal Government could do would be to look for incentives to encourage State governments to do a better job of getting more day care providers licensed. That might mean making State dollars with Federal dollars in order to put more resources into licensing.

Second, I think it is terribly important that licensing be more than just physical requirements, such as having a door in the right place, or the right square footage. Those are important for health and safety, but much more important than that, I think, are issues that have to do with the quality of the provider. I would like to reiterate what was said earlier about the need for day care providers to have training to provide helpful and safe environments.

The American Academy of Pediatrics has a committee that has been working for several years to develop standards for child care. Dr. Susan Aranson in Philadelphia has chaired that committee and has many ideas about it, and I would encourage you to use her

committee's recommendation to introduce and sponsor legislation calling for appropriate licensing standards and encouraging all States to adopt them.

Finally, I think it is important for the Federal Government as a major employer in this country to look at its personnel and child care policies in all the branches of government. How is the Federal Government responding to the child care needs of its millions of employees? Are you providing flexible benefits? Are you providing onsite child care? Are you providing something equivalent to the DCAP program? Are you doing what it is that you are asking private employers to do? Because I think, ultimately, the solution is not public or purely a private solution; it is a solution that involves collaboration, but your credibility in terms of getting the private sector on board and involved depends upon your ability to say, look, we have examined at ourselves and we have made changes in our own policies. We would like you to join us in those.

Thank you.

[The prepared statement of Ms. Eddy follows:]

TESTIMONY TO

EMPLOYMENT AND HOUSING SUBCOMMITTEE OF THE

COMMITTEE ON GOVERNMENT OPERATIONS

Edith Eddy
Program Officer

The David and Lucile Packard Foundation

September 11, 1987

Thank you for inviting me to speak to you today. I commend your committee for recognizing the close connection between employment and housing issues, and child care. Today I have been asked to speak about the David and Lucile Packard Foundation's interest in child care, and specifically about our activities in the areas of sick child care, child care for handicapped children, and child health in day care.

The David and Lucile Packard Foundation is 23 years old. From the beginning, we have had a strong interest in children and youth, reflecting in particular the affinities and commitments of Lucile Packard. The Foundation's main focus in the area of child care is to increase the availability of affordable, quality child care for low-income families, and to try to improve the health of children in day care. We have a special interest in infant care, sick child care, and in programs which mainstream handicapped children into regular day care. The Foundation's current assets are $143 million, and we will spend approximately half a million dollars to support programs relating to child care in 1987.

In addition to responding to proposals which come to us, the Foundation has also created several programs and activities which relate to child care. Beginning in 1983 we helped form and continue to chair a Foundation/Corporation Child Care Task Force, made up of approximately 15 foundations and corporations which make grants for child care in Santa Clara and San Mateo Counties. This Task Force initially commissioned a study of child care needs in our area, and the resulting report documented five issues of priority: affordable care, infant care, after school care, improving the quality of care, and better coordinated Information and Referral services.

In 1985 the Task Force commissioned a second study, this one focused on sick child care. Noting that relatively little sick child care exists nationally as well as locally, the report describes all existing models of sick child care, sources of support, and relative advantages and disadvantages of each model.

More recently, the Foundation/Corporation Child Care Task Force has been working with the Santa Clara County Manufacturing Group to conduct a study of what the Group's

80 member corporations are currently doing to support the child care needs of their employees. The Manufacturing Group is currently considering undertaking a second study, which would be a child care needs assessment of the employees of selected corporations, and would include assessing the need for sick child care. The Foundation/Corporation Child Care Task Force also maintains an ongoing relationship with city and county child care councils in Santa Cruz, San Jose, San Francisco, and Palo Alto.

A second area in which the Packard Foundation has taken some initiative is in the field of child health. In 1985 the Foundation issued a statewide request for proposals to address the question of how to improve the overall health of children from low-income families who are in day care. Specifically, we are interested in finding ways to educate day care providers about the relationship between hygiene and disease, about how to recognize and respond to illness in children, and about how to reduce the spread of infectious disease as well as prevent accidental injuries. The target population we are most interested in are those providers who are themselves low income. These individuals are often limited in their education, may not speak English, and/or may be offering unlicensed child care. Studies suggest that these are the majority of the providers of child care for our nation's children.

Out of many proposals, the Foundation selected six programs, collectively serving over 800 children statewide. Each program has developed a different approach to the problem, including videotape, audiotape, home health visitors, workshops, printed materials, and posters. This is a three-year program, and we are just completing the second year. Evaluation methods include change in the knowledge of the providers, as well as change in the health status of the children served. It is still premature at this point to state any definitive answers from this program; however, we expect results will be available late in 1988.

Recommendations

As members of the committee already know, we have in this country a large and growing number of children who are being cared for outside the home. Most of these children are in family day care homes or day care centers, the majority of which are unlicensed. My first recommendation to the committee is to encourage you to find ways to support states to require licensing, and to crease incentives for child care providers to want to be licensed.

As a society, we now know a lot about the importance of the first few years of an individual's life in terms of long-term emotional, intellectual, social, and physical development and well-being. Child care as an institution provides us with a potential opportunity to intervene on behalf of children by helping to ensure that those who provide child care are well trained. My second recommendation, therefore, is to encourage your committee to advocate for appropriate standards for child care, including the requirement that day care providers receive basic training in child development and child health before they can receive a license. This training should be provided free of cost to the provider through adult education, community colleges, licensing agencies, or social service departments.

The third and last recommendation I would like to make is that the federal government as a major employer encourage greater involvement of other employers in providing appropriate support for child care. In this regard, finding ways to promote the health of children in day care, and to support alternative forms of sick child care, may be one of the most promising ways initially to interest private sector employers, since the illness of a child is a very common cause for employee absenteeism and turnover.

I would also suggest that the federal government take a look at what their employees currently receive in the way of child care benefits. Whenever possible, the government should set an example for other employers by offering their employees flexible benefits that enable parents to make the best possible choices for their children, including being able to stay at home with a very sick child without having to lie about it. Once having made sure that their own policies are appropriate, the federal government can then be in a position to encourage the private sector to follow suit.

Mr. LANTOS. Thank you very much for your extremely informative valuable contribution.

The last panelist of the day, appropriately, is the director of the Child Care Coordinating Council, Mary Petsche.

Let me just say before I ask you to give us your testimony that I want to thank you for all the assistance you have given both my district staff and the subcommittee staff. Without you, we would not have come in the first place. Your experience and your wisdom in this field has been just invaluable to all of us, Mary, and we are very fortunate to have you as Ms. Child Care in San Mateo County.

So, fill in the gaps, tell us where we have gone astray, set us straight, and take all the time you need.

STATEMENT OF MARY PETSCHE, EXECUTIVE DIRECTOR, CHILD CARE COORDINATING COUNCIL

Ms. PETSCHE. It has been a thrill, Congressman Lantos, Congressman DioGuardi, to listen today and I may be the person in the room other than yourself and your staff who knows how much organizational effort and how much contact and how much careful thought went into these hearings.

Many people have indicated their appreciation and I want to add that of our organization in bringing the spotlight to child care here in San Mateo County, but, more importantly, I think, I know you have not been aware, but maybe you have because you have been out in the halls, but when the doors open after people leave here, they are out there talking and getting together and cooking up more new ideas and that is an extra added benefit for us here in San Mateo County.

The Child Care Coordinating Council is a multifunded community based nonprofit organization. The current range of services to families and children in San Mateo County are broad and multidimensional. Patty Siegel mentioned but one part, actually about 5 percent of the funding of our agency is in resource and referral and the rest in many other services to parents, to providers, and to children.

We go all the way from counseling with the corporate sector on child care matters to teen parenting programs. We serve a very varied population and we do that from offices in Daly City, in Half Moon Bay over on the coast, in Menlo Park and in Burlingame.

I cannot imagine that you all have not come to the conclusion already and I do not have to help you with that, but you could not have found a better place to come to talk about child care, I do not believe, than San Mateo County, CA.

We have some of the best, I know you have heard that today, we have some of the most creative. We also have some of the most collaborative programs that you will find anywhere in this country, and we are really very proud of that.

There are a few things—we are all Giants fans now, and I am the cleanup hitter—so, I am responding or trying to as we went through to make notes about some of the things that I feel the committee needs to know and I will write up my testimony and I will submit it in a matter of a few days.

There are some issues that have not been addressed. One of them that is particularly being looked at here in the State of California and I would expect throughout the country is that we have larger and larger numbers of children coming in to—well, they come into preschools, if they are able to, or they are in child care, if their parents are working, but they are coming into kindergartens, if they have not had those earlier experiences, without knowing English, without having had the acculturization kinds of experiences.

We estimate in the State of California that there will be an ethnic majority, by the year 2000, and one of the programs that can be very effective in helping whole families acculturate, certainly the children, but also the whole family, is a child care program of high quality with the parent component.

The co-op. This county was big in co-ops, and I believe, Congressman Lantos, that your children were in a co-op here in the county many years ago.

Mr. LANTOS. They sure were.

Ms. PETSCHE. We also have some of the World War II child care programs, but we are also in the forefront and I think that one of the things that we must address ourselves to is that high quality programs for providing child care, full day care, so that parents can work will be one of the ways that families will be acculturated in our State, and if we do not begin when children are early, we have wasted a lot of time and by wasting time, we have wasted a lot of money, because it takes longer after a child has missed 4 or 5 years of that kind of experience.

Another group that has been mentioned only peripherally today is the handicapped child. Parents with children who are handicapped, regardless of the nature of it, whether it be emotionally disturbed, as was mentioned specifically, developmentally disabled children, physically handicapped children, those parents need to work, too.

The added expenses of having a handicapped child almost require that and yet, child care for handicapped children is very difficult to find. It is through agencies like ours and through cooperation with the Association of Family Day Care Homes and with various centers that we are able to locate some. We are beginning to gear up now to know which of our providers are trained to handle specific handicaps, and to be able to make referrals to parents that will meet the needs of their handicapped children.

So, that is an area that has been really largely ignored with regard to child care.

Another group that Eleanor Curry mentioned, and she was at that conference we had for teen parents that was moving, the average teen parent will spend 10 years on welfare, and, so, we really need to reach out to young people, and we are finding that you have to reach out and recruit young people and get them into programs.

We had to go through and get some waivers in the job training program to have the Federal regs adjusted so that going back to school was considered training, but kids need to go back to high school, if they can and will. If they are not going back to high school, they need to get into other educational programs or into vo-

cational programs. They need help planning their lives. They need help keeping themselves together.

Teenage parents are often victims of abuse, either emotional or physical or sexual abuse, and their children are very susceptible to that as well. So, it is a group that we really—and I think your committee, given your emphasis on employment, should consider. If we do not provide some of these services for young people, then their chances of being employed at any time in their life at any kind of a reasonable pay are very minimal.

So, we want you to know that we are doing some interesting things and the State is doing some interesting things in regard to teen parents.

There are some new figures in San Mateo County that I would like to add for the record today. They are so new that they have not been published and nobody has actually seen them in print yet. We have referred to them a couple of times in the past week.

You have seen that day care is a business. You have heard from the family day care providers, who are developing, I believe, a much more professional association. As your discussion was going on, I was thinking how many accountants do not belong to the accounting or whatever, professional organization, but I believe that as our association becomes more professional and more like a professional group and more people see that happening and want to be part of it, that that will bring up those numbers.

But it is clear that day care is a business and an industry. There are a little more than 600 family day care, licensed family day care homes in our county and we estimate that their average income is about $12,000 a year. Now, that is a conservative figure. The large family day care homes obviously take in more than that. Not every slot is always full, so we have tried to compensate for that. That is not profit. I am not meaning to tell you that this is the profit that comes out of child care. I am telling you that is what is being paid into it as a business venture.

So, family day care is bringing in about $7.2 million in this county. Child care centers are caring for more children in licensed care and collectively they are in the neighborhood of $25 to $30 million and all together, our child care, family day care and centers, are bringing in around $41 million.

I want you to know that about 60 percent of the child care in centers is in for-profit operations. That is the total slots. That is not the number of programs. We probably have about an equal balance of nonprofit and for-profit, but the larger number of spaces are in the for-profit sector.

So, there is $27 million of the $41 plus is in the for-profit sector. A rather large piece of the action and those figures surprised even us when we put them together.

I think it is real important that you realize that these licensed providers pay taxes. This underground child care, some people have alluded to it today, generally the people who are being paid for that care and, of course, some of them are not, but many of them are, are not reporting that as income and that is not coming back into our economy in the form of taxes. So I think it is important that we have reasonable regulations that are enforceable, but that we do everything we can via IRS cleaning up its act and so on

to encourage the licensing of facilities and making it possible for the American family to afford licensed child care.

We are discovering connections partly as a result of the Development Association and the Governmental Research Foundation study, but we are studying connections here in San Mateo County between child care and traffic. Did you know that the second highest reason that people take their cars to work is child care, and we are discovering connections between child care and some other fairly more obvious things. I think that we have developed a lot of communications, a lot of collaboration, as I indicated, and a direction that has served us very well.

I have some recommendations. I think that whatever programs are developed by the Federal Government or any government or business, for that matter, must be programs which will provide choices to parents. No single model, no single answer is going to serve large numbers of parents. You have heard that there are many different ways to go about this and every community, every parent, every group is going to find a different solution.

The Federal Government should be involved only, I believe, in programs and in legislation and in regulations which will allow California to integrate Federal funds and may, in fact, demand that those funds be integrated into our existing system. You have heard Dr. Cervantes talk about our rather—when compared to other States, our rather—I do not want to say elaborate. But I cannot think of the word. Our California child care system.

Unfortunately, when workfare, the GAIN program, came into operation, the child care part was not integrated into our existing child care system. Head Start in the State of California is not part of our statewide system. We need from you policies, regulations, laws which will allow us in the State of California and help us, encourage us, to integrate our systemwide approach.

We need your help in solving the insurance problems. I am like you, I am not sure what all you can do and I know that this committee has a very specific role to play, but the insurance problems are out there. You have heard many times today that the liability has created a barrier that many people are not willing to cross.

Any program that the Federal Government gets involved with, whether it is in a policy reg or as a provider, should be a child development program and should be part of or be viewed as part of the child's educational experience.

I think that your promulgation of either policies or regulations or bars should promote and perhaps even demand collaboration. I think that one of the things that makes this county really strong, is that people get together to do things and we do not just all go off in our own corner and do it on our own. You can promote that in other areas by either encouraging it or perhaps even demanding it. I think, lastly, that maybe that is a chief role of the Federal Government.

My agency, the Child Care Coordinating Council, was one of a group of agencies all over this country that began in the late sixties, 1968–71, with the intention of coordinating child care in our title, of planning local solutions, of mobilizing resources, of bringing about this kind of collaboration.

You have seen that at work here in San Mateo County to do exactly those things. I think it can work all over the country, and I think that where those kinds of agencies do not exist, there needs to be a renewed emphasis. I am not so sure that placing more child care willy-nilly throughout the country without having the planning that was mentioned the very first thing morning by Congressman DioGuardi or the coordination, I am not sure that it is necessarily going to get us where we want to be.

Quality child care is good for children. Quality child care is good for families. We must not ever forget that it is also good for families. Quality child care is good for working women, but it is also good for working men. Quality child care is a good social investment. I think we have seen that and we have talked about that for years and years, but it is also a good economic investment, and our economic association is now beginning to see that.

We have to ask you to help us in whatever way you may over the next years to develop more of that quality child care which will accomplish all those things.

Thank you.

Mr. LANTOS. Thank you very much, Mary, and thank you very much, Edith.

Both of you have raised so many issues that I would like to react to. I would just ask one, if I may. I realize that Stanford is a unique place and maybe it can do things that other areas cannot, but dealing with the question of sick child care, leaving the insurance issue aside for the moment, the first model that you touched on of having, say, an older person come and stay with the sick child and take care seems to make so much more sense because when a child is sick, one of the prime concerns you have is contagion, whether this is a very minor thing, like a cold or what have you, or a potentially major thing, and I suspect that beyond the obstacle of dragging the child across town while he or she is sick, is there not an anxiety and a concern about bringing a lot of sick children together?

I mean, is this not sort of a natural reaction of parents or maybe I am just expressing grandparental anxiety?

Ms. EDDY. It is definitely a concern. In San Jose, there has been and still is a sick child care center run by the San Juan Bautista Child Care Center, which we helped get started about 8 years ago, and they have a lot of experience in providing care for up to 15 children in one facility. The center is directed by a trained nurse. They do not take children when they are at their most contagious, and they have developed procedures that enable them to determine what children are appropriate so that they have not had the problem of contagion that you are concerned about.

The advantage there is that because it is run by a trained nurse who would be exorbitant to have come into your home, you know your child is in the hands of somebody who is medically trained and will let you know whenever something gets to the point where you ought to take the child immediately to a physician, and that program has been successful. It has not become financially self-sustaining. It has required support from the city of San Jose, but it has been successful in the sense of attracting people and providing good care.

The provision of sick child care at home presents the difficulty that most people can usually only afford someone who might have had one quarter's worth of training by, let us say, the Red Cross or by a community college. In that case, the person might be very well intentioned, but might not be able to determine when it is appropriate to call in a doctor, which is why liability is such a problem.

You only have to have one or two such cases before a parent decides to sue because the person who was in charge did not act properly and did not make the proper decision in the point of view of the parent.

Right now, there are two small for-profit companies starting in this area that are planning to provide home sick-child care and they are approaching employers and getting them to purchase the service on behalf of their employees. I do not know how they are solving the insurance problem. The DeAnga program, which is training some of their senior students, decided they could not operate the program themselves, all they could do was train and they turned the operation over to CDI in Sunnyvale and CDI is handling the insurance for these individuals through their already existing insurance policy.

So, different groups are experimenting with different ways. I guess it would vary from parent to parent whether you felt the most important thing was to have the child in the home or whether you felt the most important thing was to have the child under the care of an RN.

Mr. LANTOS. I do not want to pursue this longer than I should because it is very intriguing and very complex, but in terms of the numbers involved, the Stanford facility will accommodate how many?

Ms. EDDY. I think about 15.

Mr. LANTOS. Fifteen, and you say at the moment, there are 24 places in the county.

Ms. EDDY. In the two counties.

Mr. LANTOS. In the two counties. Are there any figures on how many children of that age are sick at any one time? I mean, it seems to me that that is an infinitesimal number.

Ms. EDDY. It is absolutely infinitesimal and the number of sick children is huge, and what we learned from the research we did is that most parents, unless they happen to work for a very enlightened employer, who is willing to provide either personal time or a certain number of days for people to take care of sick children, most parents will lie.

Mr. LANTOS. Of course, of course.

Ms. EDDY. And, therefore, most employers do not know the size of the problem.

Mr. LANTOS. It seems to me that one, and I am not trying to solve a very complex problem that you and others have given much thought to, but it seems to me that the home care coupled with the qualified visiting nurse operation might solve both of these; you would then have a nurse who would spend 60 minutes or one-half hour, whatever it takes, to ascertain the degree of illnesses that are involved, not staying there for the 8 hours or 10, but I am delighted

that this is another area that you and the foundation are involved with.

Ms. EDDY. Well, at least one of the for-profits is planning to have a nurse on call so that if one of the people they have placed is worried about the condition of a child, she can call in——

Mr. LANTOS. She can come out.

Ms. EDDY [continuing]. And say, you know, should I do anything now, the temperature is up to a 104, does that seem to be OK or should I call the parent.

Let me just add one quick thing.

Mr. LANTOS. Please.

Ms. EDDY. When my children were little, Palo Alto Community Child Care had a sick child care program in which we also recruited older women and they were trained by the Red Cross. Out of that, I found a woman to care for my children when they were sick. She was a very pleasant and reliable person who was utterly totally boring and my children's experience with being sick was that it was utterly totally boring and ever since they started school, they have had almost no illnesses.

Mr. LANTOS. There is a lesson here. There is a lesson here.

Congressman DioGuardi.

Mr. DIOGUARDI. We have saved some of the best testimony for last. I thank you very much for the quality of your testimony and commend you for it.

Just a couple of points. Mary, just thinking about what you said and the need for planning, quality approach to this and also the approach that involves development. I guess the most important thing I can think of is that what happens to these children will determine their attitudes when they project themselves into the family situations later on, and one of the problems we have today in society is there is a continuing assault on the family unit from all sides for whatever reason, we may need a lot of foundations to determine why family units are breaking up and we are dealing with more single parent families today and this puts a bigger burden on society and on families to deal with those kind of problems, but it seems to me that we have got to do the best job we can up front and not give it a fast solution approach because we are dealing with people that will turn into young adults who will have their own families, who will then project their values, if they develop values, and that is determined mainly by their experiences.

So, I would say that the costs to society for doing a poor job now will be tremendous in the future. That is why we need to do the planning, but at the same time, we have got to provide almost immediate help for certain aspects of what we have seen here in some of the testimony.

So, it is a very difficult issue to say the least, and I hope that we can all join forces in resolving it. Did you want to comment on that?

Ms. PETSCHE. Just to say that I think that by giving local entities, whether we are talking about cities or counties or urban areas or metropolitan areas, by giving them help as a local agency that knows the local scene, knows the local players, knows the local resources, I think what will happen if the Feds, if the Federal Gov-

ernment see its way clear to participate in that way, is that there will be many different solutions.

You know that there is no single solution to the child care problem. There is no quick fix on it. Every community may come up with a somewhat different answer, given it has the resources and the ability to do a good job of planning, and, so, I think that may be one of the best rules that government at any level, but particularly Federal level, that Government can play is to help them to do that and to make it possible.

Mr. DIOGUARDI. Edith, I particularly enjoyed your testimony because for 12 years when I was with that large accounting firm, I was the partner in charge nationally of the not-for-profit sector. I have always felt that private foundations and other tax-exempt organizations were really the best bridges we had in society today between the public and private sectors, and I have always looked at private foundations as the real venture capital of society, and I feel that many foundations are not fulfilling their charter because they somehow take the easy way out and make contributions to this university and that university which is nice and important, but I have always felt that foundations should spend the money in really doing some basic research, getting under the numbers, so to speak, and under what we see as the veneer of many of the problems to find out what is really going on, and apparently your foundation is doing that and I commend you and the foundation for doing that and hope you can even spend a bigger portion of your budget on this issue.

I do not know how much foundations are spending looking at the day care issue, but maybe that is a statistic you can find out for us, but I would encourage you to raise this when you go to your national meetings with foundations to say that this is probably one of the most important problems society faces today and foundations can be the catalyst, the vehicle to draw in both the private and public sectors, and help us come up with some solutions here that could work.

So, I appreciate that testimony.

Ms. EDDY. I have the privilege of serving on the steering committee of a new group of foundations that is part of the Council on Foundations, foundations that are particularly interested in children and youth, and we will be meeting in San Francisco in November. I would certainly be happy to ask that question at that time.

Mr. LANTOS. Thank you. Thank you very much, both of you.

Let me also, before I express my appreciation to a number of individuals, recognize Mayor Vic Stokes, who is in the audience, who has done so much for this community and for our whole county, and we are delighted you could join us.

We want to thank you for your hospitality, Mr. Stokes.

Mr. STOKES. You are welcome.

Mr. LANTOS. It has been a wonderful day from Lynn Redgrave to Mary Petsche. We have had an incredible array of talent and knowledge and expertise and commitment. I again want to thank the subcommittee staff, my district staff, my colleague, Congressman DioGuardi, for sitting through 8 hours of what I think was excellent testimony.

Congresswoman Pelosi had another meeting in the city and had to leave earlier.

Let me express my appreciation to all the witnesses. We will take back the product of this hearing, thanks to your work, to all of our coileagues and we intend to act. We feel that child care is one of the basically unrecognized national problems of our society and it is high time Congress puts it at the very top of its agenda.

This hearing is concluded.

[Whereupon, at 3:40 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

Jefferson School District

Martin Luther King Jr. Education Center
101 Lincoln Ave. • Daly City, Ca 94015 • (415) 991-1270

SEP 14 1987

Governing Board
Ronald J. Appel
Marie Brizuela
Joan Donnison
Hans E. Hansen
Colleen Langell

Superintendent
Joseph M. DiGeronimo

September 11, 1987

TO: CONGRESSMAN TOM LANTOS/ATTN: Ms. FARRAR

FROM: JOE DIGERONIMO, SUPERINTENDENT

SUBJECT: CHILD CARE/LATCHKEY PROGRAM

The Jefferson School District in Daly City recognized the dramatic need for child care for the community. Extensive information from various agencies in San Mateo County, plus our own survey to all parents of over 6,200 children, indicated the need for low-cost, quality child care in Daly City.

The District has opened three child care/Extended Day Care Programs at three strategically located schools in Daly City based upon our parent survey of needs. We have allowed open enrollment and intra-district student transfers to accommodate our parents. We currently have enrolled approximately 200 students. The cost is $1.00 per hour, and the District provides the child care prior to school opening and after school until 6:00 p.m., and on vacation/Summer time. The programs are coordinated by an in-house expert in child care and staffed by certificated teachers and program assistant aides. All staff are thoroughly reference checked and fingerprinted prior to placement. We have maintained the $1.00 per hour cost by vigorously pursuing foundation grants to supplement income; into our third year of operations, we have an ending balance of a $12,000 surplus in the Extended Day Care Program.

We believe our program is responsive to parent needs for child care and intend to expand the program as needed to meet demands.

Sincerely,

Joe DiGeronimo
Superintendent

JDG/rm

Early Childhood Education at

CAÑADA COLLEGE

September 11, 1987

Congressman Tom Lantos
Chairman of Employment & Housing Subcommittee
Committee on Governmental Operations
House of Representatives
Washington, D. C. 20515

Dear Congressman Lantos,

I am one of many who appreciates your willingness to hear testimony in San Carlos, California, today concerning the critical need for child care.

National studies emphasize that working parents today need competent child care: since 1983, day care use has increased 60%; in 1985, 1-million "latchkey children" cared for themselves after school (this is rapidly being correlated to poor school performance); more than half of the working women who have children return to work within six months of the birth of their children (obvious implication for infant care) - the statistics can go on. The issue is no longer day care: yes or no, but the quality of the care we provide and how to provide the needed training to Early Childhood Educators.

I coordinate the Early Childhood Education Program for the San Mateo County Community College District. We are striving to meet licensing regulations and program demands that have increased in California in recent months. Numerous child care facilities are opening in our immediate service area with unqualified staff seeking releases from Community Care Licensing to indicated "schooling in progress." Our classes (on and off campus) range in size from 50 to 80 students. I know that several current training projects (infant care, latch-key child care, family day care training) would expand immediately if we could expand our faculty to meet this need. We are often "hamstrung" due to lack of adequate funding.

The Community College System in California offers a flexible means of providing a wide variety of child care training. I have included information on some of our projects and community involvements. Please contact me if I may submit to you additional proposal ideas for program development. Early Childhood Education is critical if quality care is to be offered to young children.

Sincerely,

Dianne Eyer
Early Childhood Education Coordinator

- Career Expansion
- Certificate Program
- Children's Center Instructional Permit
- Family Day Care
- Foster Parent Training
- Latch Key Child Care
- International Study
- Internship Program
- Children's Center Supervision Permit

4200 Farm Hill Boulevard • Redwood City, California 94061 • (415) 364-1212

Menlo Survey Daycare Center
345 Middlefield Rd MS 204
Menlo Park, CA 94025
(415) 329-4234

11 September, 1987

Honorable Tom Lantos
11th District
House of Representatives
520 S. El Camino real
San Mateo, CA 94402

Re: Child Care hearings 11 September, 1987, San Carlos, CA

Dear Congressman Lantos:

As a member of the largest national group of child care professionals I would like to draw your attention to some of the critical concerns in the field of early childhood education.

You are well aware that more than 55% of mothers with children under the age of six are in the work force today. This rising statistic has contributed to a dramatic increase in the demand for child care services. The availability of affordable, quality care for their children is a critical concern for working parents. In fact, their ability to compete economically is dependent on their finding adequate daycare.

Finding a daycare home or a daycare center with an opening can be a difficult and time-consuming task for a parent. Frequently the waiting lists are long. Care for infants and children under 2 is especially difficult to locate (One program in San Mateo County that opened in June has a waiting list of 58 for children under the age two). An equally difficult situation exists for many parents of young school age children, although Latchkey Legislation is providing welcome relief in this area.

Subsidized programs exist for low income and school-age families and families where the mother is in a training program. The ceiling on qualifying income is quite low, therefore many low income families do npt quailify and those that do become part of a waiting list which is usually long.

Low-income families are not the only ones who have difficulty affording child care. Middle-income families feel the strain also. With broadly ranging child care costs, programs that parents find acceptable maybe out of reach. The expense of two young children in daycare can easily negate the advantage of a second income.

Once an availabe placement is located parents must evaluate the setting as best they can to determine if the care provided meets their families needs. Consideration is given to cost for care, hours of operation, location in

proximity to their home or work, available equipment indoors and out-of-doors, amount and condition of playspace, cleanliness, program schedule, provisions for napping, ratio of children to adults, caregiver quallifications - warmth, education, knowledge of First Aid and CPR-, and the list goes on.

The growing need for childcare has focussed national attention on the state of daycare. Inadequacies in quantity and quality are of great concern. The best way to remedy the quality issue is to encourage professionalism in the field of early childhood education. Community colleges and universities offering child development and curriculum courses at convenient times for child care workers will help. Workshops and conferences are other sources of information for providers.

One stumbling block to professionalism in the child care community is low salaries. The low wages paid to child care workers subsidizes the cost of daycare. To take that one step further, child care workers, working for low wages, subsidize the country's employers. Child care employees are often without benefits. It is ironic that child care workers, even if well-educated, are likely to find child care unaffordable. The net result is that experienced teachers are leaving the field and too few individuals are entering the field at a time when there is a great need for quality childcare. I do not feel that it is an exaggeration to say that this is a crisis situation. We need more incentives to attract and keep qualified individuals to the field.

Given the current situation, I would ask you to seriously consider legislation such as that proposed by the Alliance for Better Child Care. I am hopeful that this problem will be attacked at the national, state, and local levels, in order to ensure an economy where families are strongly supported.

Sincerely,

Julia Crockett

Julia Crockett, M.A.
Director, Menlo Survey Daycare Center
President Elect San Mateo AEYC

Enclosures

September 4, 1987

Honorable Tom Lantos
11th District
House of Representatives
520 So. El Camino Real
San Mateo, CA 94402

RE: CHILD CARE HEARINGS SEPTEMBER 11, 1987 SAN CARLOS

Dear Congressman Lantos:

Our national organization recently brought attention to the "trilemma" of child care: assuring quality programs for children, assuring that quality programs are available to all families at a price they can afford, and assuring adequate levels of compensation so that qualified teachers can be recruited and retained in early childhood programs. Locally, these three facets are of utmost concern.

Primarily, the availability of affordable, quality child care is a very real concern to the working parents of our County. The issue is complex as it not only considers providing more spaces for children, but also involves economic, social, educational and professional aspects.

There is now a greater demand for child care in infant toddler, preschool, and afterschool programs. One recently opened infant toddler center has 20 children on the waiting list already. Another infant center has 80 parents waiting , and from the calls they have been receiving expect 80 more by the end of the year. They will able to serve only 18 infants, 11%. Another local program serving 205 children has a waiting list of 438. These situations can be generalized to other programs in our County. Quality programs are not available to all families at a price they can afford.

The issues of affordability hinges on the economics of professional wages. Child care workers are subsidizing our child care policy. It is difficult to recruit qualified people when the compensation is so low. There are good teachers and family day care providers in the County, but many are leaving the field because they cannot earn enough to support themselves or support their own families. A stable, trained staff is one hallmark of a quality program. Yet many parents cannot afford exisiting fees, and cannot be expected to pay higher fees to retain or implement quality aspects. Administrators face the problem of offering a quality program and a just wage.

There are social implications of affordable, quality child care. Subsized programs have long waiting lists and there are very few programs that our middle income parents can afford. Will quality programs only be available in expensive, private settings? Or do we see the need of quality care for all parents, regardless of economic income?

San Mateo Association for the Education of Young Children
1838 El Camino Real · Suite 214 · Burlingame, California 94010

The National AEYC supports aid to low and moderate income parents in paying for care and sliding fee scales to help facilitate the socio-economic mix of children within child care facilities.

The issue of quality should not be a trade off. The days of viewing child care as "baby-sitting" are long gone. Children are in centers and family day care homes for extended periods of time. We must continue to have licensing standards and funds to implement them.

In order to provide quality child care, we should continue to fund educational and training opportunities. Caregivers can learn about children's development and ways of enhancing growth, if community colleges and universities offer challenging courses at convenient times. But often child care workers cannnot afford to enroll. This is another economic implication. As professional organizations, we often plan conferences and workshops to enrich educational growth. For example, on May 14 we will join with community colleges, the State University, the Department of Social Service, resource and referral agencies, and other professional organizations to offer a workshop for all providers. But this is not enough. We need to consider other ways of funding for professional growth and quality programs.

It is important too, to consider parent education as a component. We support ways of encouraging parent involvement in child care. There are parent cooperatives and programs with strong parent components in San Mateo County. They are needed when traditional family systems have changed. Support for the single parent is especially critical.

Caregivers deserve professional recognition. They take child development courses in order to provide developmentally appropriate education and enhance what happens to children. Until they are appropriately compensated and professionally recognized they are subsidizing our economic policy.

Children cannot vote, their needs are often neglected at budget time. Parents need quality, affordable care. As a society we will benefit from affordable, quality childcare. These children are our investment in the future.

Please contact me if you wish additional information, 415 585 3123. Our president-elect is offering supportive written testimony and you may also contact our public policy chairperson Jill Anderson, 415 726-7416.

Sincerely,

Susan H. Ruane

Susan H. Ruane
President

REDWOOD CITY CONSORTIUM FOR
SCHOOL-AGE CHILD CARE
2600 Middlefield Road
Redwood City, CA 94063

Statement Prepared for the September 11, 1987
Public Hearing on Child Care Needs,
Employment and Housing Subcommittee
Congressman Tom Lantos, Chair

The Redwood City Consortium for School-Age Child Care is a group of community representatives of the school district, city and county governments, churches, child care providers, parents and others who organized in May 1985 to deal with the problem and needs of latchkey children ages five to fourteen years. With initial seed funds from the city, county and school district, foundation support was obtained to hire a consultant. As that funding ended, the Consortium won the contract for GAIN (Greater Avenues for Independence) child care resource development for Redwood City from the county Department of Social Services for 11/1/86-10/31/87; second-year funding has recently been approved.

The main goal of the Consortium has been to increase the amount and quality of school-age child care 'slots' in centers and family day care homes. In the past year and a half, we have facilitated the opening of six new programs and expansion of another, with a total minimum capacity of 235 new slots. We have also recruited a number of new family day care providers. Our consultant provides technical assistance and continued support to these programs. Other goals include developing programs for preadolescents and children in self-care, public education and advocacy, fundraising, examining the city's role in child care activities, and improving the quality of existing programs.

We see the Redwood City Consortium as a model project which could be replicated in other communities. Though it takes leadership from one party initially, the cooperative effort of many segments of the community is most effective and equitable. As the problem of latchkey children belongs to the whole community, so should its solution.

In our work in Redwood City, we have faced some major barriers:

1) lack of space for child care at school sites. Though our school district has been very cooperative and creative in attempting to find space for before- and after-school child care, there is almost no classroom space available across our 12 public elementary schools. Many schools have no cafeteria, multi-purpose room, etc. to be shared, and where these do exist the shared space is very undesirable for child care providers.

2) need for child care subsidy for low-income families. Three programs we have helped to start are in schools located in predominantly low-income neighborhoods. One of the programs closed within two months and the other two are struggling and may close soom because not enough families there can afford to pay for care.

3) shortage of qualified staff. Some of our school-age programs have delayed opening for months when they could not find staff; others have opened with unqualified staff, applying for temporary

waivers from Community Care Licensing. Some of the reasons for this short supply are: the recent proliferation of school-age child care programs needing such staff, lack of training courses available at local colleges (due to lack of funds), and low wages which do not attract or keep people in this field.

We would like to recommend that more funding be made available in these forms: subsidies for low-income families, capital outlay for purchase of portables, and start-up grants. We fortunately received three $4,000 start-up grants for three of our programs which helped greatly, but more programs needed this. Also, increased funding to community colleges for child care staff training is important.

CARE & DIGNITY
for the invisible poor: the homeless

September 16, 1987

Congressman Lantos
520 South El Camino Real #800
San Mateo, CA 94402

Honorable Congressman Lantos,

We are writing to you from the Emergency Housing Consortium which is a nationally recognized agency providing innovative programs for shelter, relocation assistance and special assistance programs for homeless families with children as well as mentally disabled, single men and women adults, including seniors and teens. The Consortium provides an afterschool care program at its Santa Clara facility, and hosts a unified school district elementary school and preschool operated by Head Start at the shelter. On a daily basis, our agency serves many families who are caught in the midst of the trauma of homelessness. A majority of the homeless who are assisted by EHC are children.

Given the vantage point of our programs, we see a major issue surfacing in the need for child care, particularly among the single-parent families. Due to the high cost of child care and the long waiting lists for those quality programs with sliding-scale fees, most homeless families cannot afford child care; therefore, they do not obtain it. The resulting scenario is either a child left at home unattended or a stressed parent (or two) attempting to focus on the details of gaining self-suffiency and the responsibilities of parenting at the same time. This attempt is a difficult, almost impossible, task to perform. Applying for jobs, attending training programs, looking and applying for housing, and seeking out resources are all complicated tasks that require concentration and energy. The presence of children tends to be disruptive in this process of the parents getting back on their feet. Their presence can interfere with the job search and even prevent some parents from getting housing at all. The provision of flexible child care for parents would free them up to accomplish those complicated tasks that need to be accomplished in order for the entire family to gain self-sufficiency.

EMERGENCY HOUSING CONSORTIUM A United Way Agency
HOMELESS RESOURCE & HOUSING CENTER • P.O. Box 2346 • San Jose, CA • 95109 • 408 947 8261

The self-sufficiency process can also be stressful on the child, who is being dragged from one appointment to the next, often on the public transportation. Children require stability and security for their development. The children of the homeless do not receive this consistency because their home life is disrupted and their parents are distracted. It is very difficult to be an effective listening parent and an efficient, motivated job- or apartment-seeker simultaneously. The benefits of a child care program would be to both free up the parents for some solid time to accomplish the tasks they need to restore their family stability, and it would enable them to focus on their children when at home, rather than being distracted by the overwhelming tasks ahead. Flexible child care would give the children a stable and secure place to be while their parents were "running around" getting things done. In general, it would reduce overall parental stress and improve family well-being.

The afterschool-care program and the Head Start Program at the Santa Clara Family Living Center have provided a successful example of this for one homeless shelter. Children stay on-sight during the day, participating in a productive and stimulating program that is designed for their growth and development. At the same time, their parents may leave the facility to accomplish what they need to help their family, getting a respit from their parenting responsibilities in a time of stress, while knowing that their chilren are in good hands.

There is a great need for this type of child care at all homeless shelters: flexible child care centers located on-sight so that during their transitional time, the parents are able to focus on finding the resources, jobs, and housing that the family needs. There is a great need for subsidized programs outside of shelters to enable single parents (especially those on AFDC) to go to work or enter training programs. The high cost of child care right now is prohibitive of these ventures. Quality infant care programs are also in very short-supply but much needed, particulary among young, single mothers.

We encourage you to consider these issues as you develop legislation and policies that will affect homeless families and their children. Thankyou for your attention to this growing problem.

Sincerely,

Rene Toolson
HOMES Program, EHC

Barbara Whatley
Redwood City Family Living Center,

Susan Genoar
Menlo Park Family Living Center, EHC

CITY OF SAN CARLOS

666 ELM STREET
SAN CARLOS, CALIF. 94070
TELEPHONE (415) 593-8011 (415) 592-3044

September 11, 1987

To: Honorable Tom Lantos

From: Hannah Linebarger, Recreation Supervisor
San Carlos Special Needs Program (for handicapped children)

Regarding: CHILD CARE

The need for child care for children during afterschool hours is becoming a striking reality. According to a bulletin by the United States Senate (Summer, 1987), the Census Bureau reports that "26.5 million children have working mothers."

Quality day care is needed to keep children safely occupied and learning the social skills necessary for them to develop while waiting for their families' supervision during evenings and weekends. Finding adequate child care for normal youth is difficult enough; finding care for handicapped children is even harder.

Currently, in San Mateo County the existing afterschool child care/ recreation and socialization programs for handicapped youth are:

1) North County: PROJECT REACH
Director, Shirley Moore
Phone: 692-1980
3 sites
75 youth
Millbrae, San Bruno areas

2) Middle and South County: SAN CARLOS SPECIAL NEEDS PROGRAM
Recreation Supervisor, Hannah Linebarger
Recreation Coordinator, Jeri Fujimoto
Phone: 592-3044
1 site, 3 activity locations
120 youth
San Carlos, Belmont, San Mateo, Menlo Park, Redwood City, East Palo Alto locations

CITY OF SAN CARLOS

600 ELM STREET
SAN CARLOS, CALIF. 94070
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Waiting lists exist for both of these programs. Staff shortages, primarily due to budget constraints, hold down the functional enrollments of both of these afterschool day care programs.

The State of California, through Community Care Licensing, certifies day care programs as fit to provide adequate child care. Because the need for afterschool care has increased so dramatically over the past six years, even City recreation programs are getting licensed by the State.

The City of San Carlos is one of the very few cities in California that has a recreation and socialization program for handicapped youth. Rarer yet, the City of San Carlos will have a licensed day care program for handicapped children before 1988 (Special Needs Afterschool Weekly). It is the only such program of this kind in San Mateo County (other than Project Reach, which is a private, non-profit licensed program).

The Special Needs Program budget is about $ 110,000. per year. Special Needs operates 46 weeks per year, for 28 hours per week (20 hours per week comprise Afterschool Weekly). Special event hours and camp hours are not included here. Afterschool Weekly has 25 - 30 participants each afternoon. The handicaps included are mental retardation, autistic, physically or sensory deprived, learning limited, emotionally limited, epileptic, and cerebral palsied.

The current waiting list for the Special Needs Afterschool Weekly is 10 and the new school year has just begun!

Please consider the extreme child care needs of families and the extraordinary needs of families who have 1 or more handicapped youngsters. My job and my staff's job is to serve them. The bottom line is always -- funding.

CHILDCARE RESOURCE CENTER
Stanford University
859 Escondido Road, Stanford, Ca. 94305 (415) 723-2660

9/8/87

Representative Tom Lantos
520 El Camino Real, Suite 800
San Mateo, Ca. 94402

Council on Childcare

Children's Center
Craig Infant Program
Little Kids Place
Big Kids Place

Escondido Nursery School

Bing School

Pepper Tree
Afterschool Program

Preschool International

Family Daycare

Childcare Resource Center
Consultants:
Dorothea K. Almond
Phyllis H. Craig

Dear Congressman Lantos,

I am delighted that you will be chairing a hearing on childcare. As a director of a referral center for childcare on the Stanford campus and as a member of the City of Palo Alto Childcare Taskforce 86/87, I am very much aware of the desperate need for quality childcare.

Especially on the Peninsula with the extraordinary high cost of living it has become increasingly necessary for both parents to work. In fact, we find women forced to return to work when their baby is barely two months old, i.e., as soon as the mother's disability pay ends (6 weeks) and a few saved-up vacation or sick days have been used.

This process is detrimental not only to mother and child, the family, but also the employer and the fabric of our society.

Several measures could alleviate this situation:

1. A national maternity (dependent) leave policy (as is in effect in 100 other countries). This would make it possible for mothers to stay home at least for the first 4 months and assure her a job on her return to work.

2. Encouragement of more daycare homes (the form of childcare least expensive to start up), by assuring adequate pay and status to daycare providers

3. A national policy to encourage local entities to facilitate places for childcare, i.e., to be more flexible in granting variances in zoning regulations, especially in residential areas. Most cities talk more childcare, but will yield to residents with the "nimby" (not in my backyard) attitude. Realtors have assured me that having a house or small well supervised pre-school center does not lower adjacent real estate values.

A national childcare policy should encourage collaboration between the private and public sector to generate enough support funds to make it possible to lower the fees for childcare and at the same time pay adequate salaries to the staff which is essential to assure continuity and quality in the functioning of childcare.

Sincerely yours,

Dorothea K. Almond

Dorothea K. Almond
Consultant on Childcare, Stanford University

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a United Way Agency

Bayshore
Child Care Services

To: Congressman Lantos
From: Bayshore Child Care Services

I would like to share with you a little of the impact a community based child care such as ours has on the families it serves. Our Bayshore site is located in the middle of Midway Village low-income housing complex in the Bayshore District of Daly City and serves predominately single mothers and their children from the Village and the Bayshore District. We serve children ranging in age from 3 months to twelve years and also mainstream children with special needs and disabilities into our daily program. We are funded through the State Department of Education, San Mateo County and United Way and serve a total of 200 children. Our State funding is for Infants and Toddlers and also for School-Aged children. Pre-school children are funded through Alternative Programs and the GAIN program.

These are some of the benefits to our families and the Community.

Parents are able to participate in training programs, seek employment or work knowing their children are in a safe, stimulating environment with well trained personnel.

Parents with disabled children are able to bring their children to child care and know that our Mainstreaming Co-ordinator will ensure that each child's individual therapy programs take place either on site or at special classes. Without this co-ordination parents would have to take time from work in order to make certain the needs of their children are met.

Parents with more than one child are able to bring them to one site which caters to all ages and are subsidized so that care is both available and affordable.

A Center, such as ours, serving a low-income housing complex, brings considerable stability to our families and the community itself. Often families are disfunctional prior to entering public housing and need the continuity and support and program such as ours provides. We work closely with Housing staff in order to meet the needs of each family.

Parents, especially young, single mothers really benefit from the social interaction and support network provided through meetings, educational workshops, social events and the daily feedback and encouragement they receive from the teaching staff.

Many support staff are from the neighborhood and several also work as assistants in the school district. This cements working relationships with the Residents Association and the School District as well as Midway Housing. During the 10 years our program has been in existance we have been able to cement strong bonds with all the agencies and organizations serving our families and often meet for" case management " meetings when indicated.

I am enclosing a copy of a program summary and brochure for further information. We would enjoy a visit from you if you are ever able to fit one into your busy schedule.

Sincerely,

Ann K. Sims, Executive Director

SAN MATEO COUNTY ORGANIZING PROJECT

Child Care Concerns

The San Mateo County Organizing Project, a Coalition of 35 churches and civic groups has been involved in child care issues affecting working parents for the past 2 years. A emphasis has been to organize and advocate for the needs of low income working families and for women who wish to receive training or to seeks employment to enter or RE-enter the job market.

Most of our constituency on this issue are low income women, often the sole bread winners. So we faced the dual concerns of increasing the amount of child care available and keeping the cost affordable for quality care.

We have to a great degree been successful in greatly expanding opportunities for convenient, quality childcare at or near school sites in the 2 cities where we have concentrated our energies. The cost of the programs is reasonable yet for some families a subsidy is a must.

More money must be available to subsidize child care and for training opportunities for child care workers. The workers are very dedicated but deserve both a living wage and opportunities to develop and enrich their skills which only serves to help the children and to keep child care workers in the field.

A great deal is yet to be done to meet our goal of affordable quality child care for all who need it. State and Federal involvement combined with creative local initiatives is a must if we are to reach this goal.

"LATCHKEY CHILDREN"

There is growing concern about the large number of "latchkey children" school age children who are left alone and unattended before and after school for one to several hours daily while parents are away/at work. There are few school age child care programs available at or near school, and there are long waiting lists for the few child care slots that are available. The problem is further compounded for low income families who can no more find a program than afford one. Frequently these families are headed by single females whose wages are relatively low.

The San Mateo County Organizing Project, SMCOP, first became involved with the latchkey issue as it surfaced over and over again in neighborhood interviews done in San Bruno and later Daly City by churches that are members of SMCOP. Good attendance at a meeting at a church and a library showed the extent to which parents and educators were concerned.

The School District had no hard data on the problem but estimated that atleast 60% of the children were "latchkey kids." A report prepared about Daly City showed over 1500 children that needed some form of child care and there were only 46 licensed child care spaces. Of the 46 only 21 were for low income children.

Since the passage of Proposition 13 in California, most school districts and parks departments have cut or eliminated after school activities. Some wealthy communities have raised special funds from parents and corporations to restore programs but most low and middle income populated districts have simply done without. Speaking at a City Council meeting, working mother Daisy Jones explained that she had to work to provide for her family but she constantly felt torn because she feared her children may get hurt or in trouble during the 3 hours they are unsupervised after school. "Nearby neighbors are of some help but mainly I just worry and pray nothing happens," she stated. "We are told to get off or stay off welfare and work yet we can't find or afford care for our children so that we can get training or a job. The City Council, at first, wanted no part of the problem. They stated that is was "not the City's responsibility." SMCOP formed the San Bruno Organization for Latchkey Volunteer Effort, SOLVE, to work for affordable, quality child care. As organized pressure from the SMCOP's churches and parents grew the City Council agreed to committ some Community Development Block Grant Funds for a survey to be done and a model program developed. It is SOLVE's mission to create atleast 1 subsidized child care space for every child care space that was created overall. This has allowed for a strong coalition of parents and has guaranteed that low income families get a fair share.

Continued: "Latchkey Children"

SMCOP/SOLVE also helped influence the Governor to sign legislation that created seed money to create "latchkey programs" with priority on low income schools. Parents mail paper keys to the Governor, signed petitions, met with legislators and state officials.

SOLVE received 644 "yes" responses to its survey inquiring if parents needed school age child care. Using those contancts SOLVE organized a large community meeting and further pressed the city and school district for space and money for programs. Both were at first resisted but support eventually was forth coming. SOLVE and its counter part Daly City "LOCK" - Latchkey opportunities for children an kids are now credible organization on that have increased by more than 10 fold the number of school age child care spaces in each city. In Daly City, a superintendant that at first labeled the latchkey issue as "overblown" is now running year round programs at 3 schools and plans to add 2-3 programs next year.

As school become more crowded and insurance rates soar it has been increasingly difficult to find space on or near schools for latchkey programs. In San Bruno a campaign had to be mounted to get use of an abandoned fire house across for one school for a program. The school has the highest number of poor and minority children in the district. A "community work day" was scheduled to celebrate the victory of gaining use of the fire house and to fix and paint the building.

SMCOP/SOLVE is a successful model of church based organizing that get results.

Submitted by:
Mary Ochs

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